

ANALYSE AND UPGRADE THE CUSTOMS CLEARANCE AND FREIGHT FORWARDING PROCESS AT SAMPOR TO FREIGHT FORWARDING PVT LTD

V Suriyapradhap¹, Dr. B. Kalaiyarasan²

Department of Management Studies School of Management Studies,

Vels Institute of Technology and advance studies (VISTAS) Pallavaram, Chennai¹

Assistant professor, Department of Management Studies School of Management Studies,

Vels Institute of Technology and advance studies (VISTAS) Pallavaram, Chennai²

Abstract: This study aims to analyze and upgrade the customs clearance and freight forwarding processes at Sampor to Freight Forwarding Pvt. Ltd., a logistics company engaged in global cargo movement. The research identifies inefficiencies and bottlenecks in the current operational framework, including documentation delays, compliance challenges, and coordination gaps between stakeholders. Using a combination of qualitative analysis, process mapping, and industry benchmarking, the study evaluates current practices against global best standards. Recommendations are proposed to streamline workflows, implement digital solutions, and enhance regulatory compliance, with the goal of reducing clearance time, improving customer satisfaction, and boosting overall operational efficiency. The upgraded process framework is designed to support scalable growth and align with evolving international trade requirements.

INTRODUCTION

In the rapidly evolving global trade environment, efficient customs clearance and freight forwarding operations are critical to the seamless movement of goods across borders. Freight forwarding companies serve as vital intermediaries in the supply chain, coordinating the transportation, documentation, and regulatory compliance required for international shipping. Sampor to Freight Forwarding Pvt. Ltd., a growing logistics provider, plays a key role in facilitating imports and exports for a diverse clientele. However, like many logistics' firms, it faces challenges related to procedural inefficiencies, compliance complexities, and technological limitations that can hinder timely delivery and customer satisfaction.

This study is undertaken to critically analyze the existing customs clearance and freight forwarding processes at Sampor to and to identify areas for improvement. The aim is to uncover operational bottlenecks, assess current practices against industry standards, and propose actionable upgrades that enhance efficiency, accuracy, and service quality. By adopting a systematic and data-driven approach, the project seeks to design a more robust and future-ready process model that supports regulatory compliance, reduces lead times, and strengthens Sampor to's competitive position in the logistics sector.

Statement of the Problem

Logistics play a vital role in international business. A freight forwarder can help to improve the delivery of products and increase customer service. Forwarding faces problems in documentation, transport, Custom clearance in freight forwarding and this affect the exports and supply chain, so to overcome all these problems study is conducted

Primary Objectives

- To Evaluate and Improve the Customs Clearance and Freight Forwarding Procedure at Sampor to
- Freight Forwarding Pvt Ltd.

Secondary Objectives

- To identify the factors affecting customs clearance and freight forwarding process
- To analyze the issues faced by freight forwarders from the carriers and customers.

- To suggest solutions to reduce the issues faced by the freight forwarders.
- To study the export-import documentation process.
- To understanding the cost benefit analysis that to identifying the opportunities in cost reduction and efficiency improvements.

II.REVIEW OF LITERATURE

Sahoo, R., Bhowmick, B., & Tiwari, M. K. (2023). Developing a model to optimize the cost of consolidated air freight considering the varying scenarios. *International Journal of Logistics Research and Applications*, 26(8), 1035-1059. This research considers capacity, lower carbon emissions, and perishability in order to optimize freight forwarder service costs. For efficient cargo management, a mathematical model is created that includes important features including integration, delivery time, volume, temperature balancing, and emission minimization.

Sensitivity analysis and an exact technique are used to validate the optimality of the model. It provides managerial knowledge to optimize costs.

Davis, Beth R (2012), a study on "Logistics service driven loyalty: an exploratory study". The Journal shows that supply chain relationships can be a stable source of competitive advantage to firms in the supply chain because of their ability to create barriers to existing competition and conclude that improving logistics customer service is an ongoing focus for firms. Suppliers are trying to become more proactive with their customers and anticipate customer expectations.

M. Dhanabakyam and K. Parimala (2015) A study on "Role of Freight Forwarders and Customs House Agents in Logistics-A Perceptual Study. The study concerned with the freight forwarding is a vital part of logistics in international trade activity. The objective of the study was to identify the study appraise the role played by Freight Forwarders in logistics was conducted. Thus, the study showcased that, as the world has become a global village, the service providers like Freight. Forwarders should be prepared to face the challenges of tomorrow, by extending their network in every corner of the world and providing more accuracy in their commitments.

Sebastian (2016) A Study on "Problems of Logistics Industry ". The objective of the study about the problem that faced logistics industry. He concluded that India's logistics industry is low in their planning and current professionals in the industry should sharpen their skills on a broad base of key elements of transportation and logistics. Finally, he said that, there should be very balanced between solid knowledge and real-world application.

Kumar, S. D., & Kumar, V. H. (2019) narrated the Impingement of Celebrity towards Product Promotion amongst movie goers in Tamil cinema industry.

III.RESEARCH METHODOLOGY

Research methodology is a systematic approach to solving the research problem. It can be conducted as a science as research is done scientifically. The research methodology is very essential to collect information. Research in common parlance refers to a search for knowledge. One can also define research as a scientific systematic search for pertinent information on a specific topic. In fact, research is an art of scientific investigation. The learner's dictionary of current English lays down the meaning of research as "a careful investigation or enquiry, especially through search for new facts in any brand of knowledge".

1. Research Design

Research design is the framework of research methods and techniques chosen by a researcher to conduct a study. The design allows researchers to sharpen the research methods suitable for the subject matter and set up their studies for success. Creating a research topic explains the type of research (experimental, survey research, correlational, semi-experimental, review) and its sub-type (experimental design, research problem, and descriptive case-study).

2. Data Collection Methods

- Primary data collection involves the collection of original data directly from the source or through direct interaction with the respondents. This method allows researchers to obtain firsthand information specifically tailored to their research objectives. There are various techniques for primary data collection, including:
- Secondary data collection involves using existing data collected by someone else for a purpose different from the original intent. Researchers analyze and interpret this data to extract relevant information. Secondary data can be obtained from various sources, including

3. Sampling Technique

The idea of a sample also plays a significant role in the process of identifying rising and considerate new market constructs that need to be investigated by the researcher. There are two types of sampling technique, probability sampling and non-probability sampling. Here non-probability sampling was employed. However, the type of non-probability sampling used is "convenience sampling" where the samples are drawn at the convenience of the researcher

4. Sample Size

The sample size for the study undertaken was 40.

5. Tools and Techniques for Analysis**STATISTICAL TOOLS**

- ✓ Correlation
- ✓ Weighted Average

6. Scope of the Study

The present study considers the services of the clearing and forwarding agents and the exporters of the services provided by the clearing and forwarding agents who are functioning in Chennai city. The purpose of the study is to analyze the factors affecting freight forwarding and clearance process. 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.

IV.OBSERVATION REVIEW**1. Process Overview**

Samporto Freight Forwarding Pvt Ltd handles international shipments through a combination of customs clearance, freight forwarding coordination, and last-mile delivery. The process includes documentation preparation, customs filing, cargo handling, transportation coordination, and client updates

2. Observations

- Documentation Inefficiencies: Manual paperwork and inconsistent document formats delay clearance.

3.Recommendations for Upgrade

- * Digital Documentation System: Implement a centralized, cloud-based system for all shipment-related documents.
- * Customs Compliance Automation: Integrate software to auto-validate tariff codes, duties, and tax implications.
- * Integrated Logistics Platform: Adopt a unified platform combining tracking, clearance, and billing functions.
- * Proactive Notification System: Use automated alerts for clients and internal teams for shipment status.
- * AI & RPA Tools: Leverage robotic process automation for repetitive customs filing and data entry tasks.
- * Staff Training & SOPs: Regular training on latest trade compliance and standardized process workflows.

V.LIMITATIONS OF THE STUDY**1. Limited Scope:**

To analyze and upgrade the customs clearance and freight forwarding process at Samporto Freight Forwarding Pvt Ltd, we need to consider a structured approach: identifying limitations, defining the scope, and recommending upgrades. Here's a comprehensive breakdown

2. Time Constraints:

To upgrade the Customs Clearance and Freight Forwarding process at Samporto Freight Forwarding Pvt Ltd under time constraints, we need to focus on quick-impact changes while planning for long-term transformation. Here's a targeted analysis and phased upgrade strategy considering time limitations

3. Restricted Access to Internal Data:

When analyzing and upgrading the Customs Clearance and Freight Forwarding process at Samporto Freight Forwarding Pvt Ltd with restricted access to internal data, the approach must rely on:

1. Industry best practices,
2. Assumptions based on typical process structures, and
3. Modular, scalable recommendations that can be adapted once internal access is granted.

4. Dependence on Employee Input:

Primary data was largely based on employee responses and interviews, which may be subject to bias or personal interpretation.

5. Dynamic Nature of Export Regulations:

Analyzing and upgrading the Customs Clearance and Freight Forwarding process at Samparto Freight Forwarding Pvt Ltd, with a focus on dependence on employee input, requires understanding how manual labor and decision-making are impacting operational efficiency and identifying where automation, standardization, and digital tools can reduce risk and improve performance

6. Technology Variability:

To effectively analyze and upgrade the Customs Clearance and Freight Forwarding process at Samparto Freight Forwarding Pvt Ltd in the context of technology variability, it's essential to address how inconsistent or outdated technologies across systems, partners, and platforms affect operational performance and regulatory compliance.

Analysis of the Export Documentation Process in Samparto freight forwarding

The export documentation process ensures:

- Legal compliance with customs and DGFT regulations.
- Smooth cargo movement through ports/airports.
- Facilitation of payments and international logistics.

1. Structured Documentation Workflow

To improve the documentation workflow at Samparto freight forwarding it's essential to implement a structured, systematic approach that streamlines each stage of the export process. Below is a proposed structured documentation workflow, designed to enhance efficiency, reduce errors, and ensure compliance at every step.

2. Key Document Handling

The company prepares and manages essential documents including:

- Commercial Invoice
- Packing List
- Bill of Lading
- Certificate of Origin
- Export License (when applicable)
- Insurance Certificate

These documents are handled by a specialized documentation team that works in coordination with the operations and compliance departments.

3. Strengths

Samparto's team likely possesses in-depth knowledge of the freight forwarding and customs clearance process. This includes familiarity with regulatory requirements, documentation processes, and customer needs. A skilled workforce ensures efficient and error-free operations.

4. Weaknesses

Despite technological integration, some processes may still rely on manual input or paperwork (e.g., document preparation, customs filing). This could slow down operations and increase the risk of human error.

5. Areas for Improvement

- Implement a full-fledged freight ERP system to automate documentation, customs filing (ICEGATE), and container tracking.
- Use OCR (Optical Character Recognition) tools for automated data extraction from commercial invoices, BLs, etc.
- Offer a client portal for booking, real-time status updates, and digital document uploads.

6. Performance Outcome

- Faster turnaround times
- Reduced human error
- Enhanced capacity to handle higher shipment volumes without hiring proportionately more staff

VI.DISCUSSION

As a freight forwarder, Samparto plays a critical role in bridging exporters/importers with global shipping networks, customs authorities, and last-mile delivery

2. Importance of Export Documentation

Legal Compliance: Proper documentation ensures adherence to international and local trade regulations.

Customs Clearance: It enables efficient clearance at ports and avoids delays or penalties.

Shipment Tracking and Transparency: Accurate documentation supports traceability and updates for clients and stakeholders.

Payment and Insurance: Documents like the Bill of Lading and Letter of Credit are critical for financial transactions and insurance claims.

3. Key Export Documents Handled by Aashirvadh Global Logistics

1. 1. Commercial Invoice

Acts as a legal document between the exporter and importer that lists goods sold, their value, and terms of sale.

2. Packing List

Provides detailed information about the cargo's packaging and contents. Prepared by Exporter (Client), checked by Samporto

3. Bill of Lading / Air Waybill

Purpose: Serves as a receipt for cargo, contract of carriage, and document of title. Issued by Shipping line or freight forwarder (Samporto)

4. Export License (if applicable)

Required for the export of restricted or controlled items (e.g., defense, dual-use, or SCOMET goods). Issued by: Directorate General of Foreign Trade (DGFT)

5. Certificate of Origin

Certifies the country where the goods are manufactured, important for preferential trade agreements. Issued by: Chamber of Commerce or export promotion council

6. Shipping Instructions

Contains exporter's instructions to the freight forwarder regarding how the shipment should be handled. Prepared by Exporter and submitted to Samporto

7. Insurance Certificate

Provides proof that the cargo is insured against damage, loss, or theft during transit. Issued by Insurance provider (arranged by exporter or through Samporto)

VII.KEY FINDINGS

1. Well-Structured Documentation Workflow

- Pre-shipment checklist for document readiness
- Templates used to standardize documents and reduce manual errors
- Dedicated document review team ensures completeness and accuracy

2. Core Documents Managed Efficiently

- DGFT, CBIC, and ICEGATE systems
- Export control laws (e.g., SCOMET, FTA conditions, RoDTEP compliance)
- Real-time tracking of policy circulars and trade notifications

3. Compliance and Regulation Focused

- Document processing and storage
- E-filing of shipping bills and export documentation
- Real-time status tracking and alerts

4. Technology-Driven Operations

- Uses document validation checkpoints
- Performs pre-clearance audits on sensitive shipments
- Maintains redundant copies and digital backups
- Ensures insurance coverage for high-value cargo

5. Risk Mitigation Practices in Place

Multi-level document verification processes are implemented to prevent errors, fraud, and mismatches in documentation.

6. Coordination with Stakeholders is Strong

Aashirvadh Global logistics effectively collaborates with exporters, freight forwarders, banks, and customs authorities to streamline the documentation chain.

7. Adaptive to Regulatory Changes

The logistics team regularly updates procedures to accommodate changes in export policies and documentation requirements.

8. Training and Expertise are Prioritized

Staff handling documentation are trained in export compliance, Incoterms, and international trade procedures.

Comparison of Review of Literature

Samparto Freight Forwarding Pvt Ltd, designed to evaluate existing research, theories, and case studies relevant to its customs clearance and freight forwarding processes. This comparison draws from academic studies, industry reports, and real-world practices, highlighting how Samparto aligns with or differs from broader trends.

VIII.CONCLUSION

This present study reveals the factors affecting the forwarding and customs processes. Freight forwarding is the business that specializes in lowering costs and facilitating the logistics of transportation, whereas customs 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 variables of evaluation for forwarding and custom processes, such as time, cost, and communication, Factors such as time, cost, and communication play a major role in evaluating the forwarding and customs processes. Hence, if the company will try to follow the given suggestions and recommendations, they can resolve the factors affecting the process and improve it more in the future. By studying and comparing the various issues faced by freight forwarders, it is easy to identify the solutions to avoid problems and ensure the smooth flow of business. This will help the company establish a reasonable share in the marketplace.

A Freight Forwarder's activity relies on factors beyond their control, such as access to shared services by all providers. Infrastructure is identified as a major bottleneck in the Freight Forwarding sector, as it is beyond their control and essential for their tasks.

REFERENCES

- [1]. Jain Khushpat. S - Export Import Procedure And Documentations, Mumbai, Himalaya Publishing House, Third Editions 2006.
- [2]. PramodRao – Logistics Management Concept and Cases, Hyderabad, The Icfai University, First Edition 2007.
- [3]. Cr.Kothari – Research Methodology, International (P) Ltd New Edition 1998, Second Edition 2004, New Delhi.
- [4]. Amirsanusi, "The Asian Journal Of Shipping and Logistics" Vol 35, Issue 3, Sep(2019), Pg 127-137.
- [5]. S. Subhashini, S. Preetha," Maritime Business Review" ISSN: 2397-3757 Publication date: 17 September (2019).
- [6]. Zhou Wenyong; Zhang Jing; Chen Hongxiang," IEEE" 7th International Conference on Service Systems and Service Management 29 July.
- [7]. RolandHellbergRagnvaldSannes," International Journal of Production Economics" Vol 24, Issues 1–2, November (2016), Pages 91-101.
- [8]. S.SWATHY,"In tercontinental Journal Of Marketing Research Review" ISSN:23210346 ,Vol 4, Issue 3, March.
- [9]. George Kokkinis, Athanassios Mihiotis, Costas P. Pappis EuroMed, "Journal of Business "ISSN: 1450-2194 Publication date: 1 September.
- [10]. Zhiliang Mei, John Dinwoodie, "Supply Chain Management" ISSN: 1359-8546 Publication date: 1 July (2005).