



A Study On The Role Of Customes House Agent In International Business With Special Reference To Coimbatore City

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ABSTRACT

"Sell in those Global market where prices are higher

International business is all business transactions like private and government that involve two or more countries private companies undertake such transaction for profits governments may or may not to the same in the transactions. International business comprises large and growing portions of the world total business. Now-a-days a great majority of large enter prices operate internationally, so that an awareness of the major issues in international business is a valuable assets for any manager in a company that is deals with suppliers, customers, contractors, licensees in other countries.

Liberalization and Globalization followed all over the world has in the development if international business. So the foreign trade of several countries has increased which has the necessities more and more number of clearing and forwarding agents

Keywords : Customers, Liberalization, Globalisation

Introduction:

According to prevailing customs regulation, no cargo meant for export can be loaded on a ship unless the customs authorities at the port accord their formal approval. After obtaining the export licenses, where necessary, a complete set of shipping documents, including five copies of the shipping bill. "Under claim of drawback". Submitted by the export to the customs house concerned. An officer of the customs department of the rank of as appraiser scrutinizes the complete set of documents with a view of determining.

Whether the description, quantity and value indicated in the shipping bill for which permission is sought for export, correspond with those mentioned in the contract entered into with the buyer. The customs also check the details on the GR-1 form including its number and date and the entry there of in the other document. The original copy of the GR-1 form is retained by the customs and later, after recording the same in their register, forward it to the RBI with the endorsement on the duplicate copy of the shipping bill by the export department of the customs house, customs clearance for the exports of products mentioned in the shipping bill is deemed to have been obtained.

Customs Clearance Formalities For Exports

All goods to be exported from India have to pass through the procedure of customs clearance. The goods are examined, appraised, assessed, evaluated and then allowed to be exported from India. The entire process of customs clearance is complicated and carrying out this procedure smoothing is difficult. This service is done by Customs House Agents. In order to perform the above job in the most efficient manner they follow the following procedure.

- Receiving documents to arrange shipment
- Preparing shipping bill
- Customs filing
- Stuffing
- Receiving cargo
- Customs examination
- Receiving shipping bill with pass order.
- Preparing bill of lading
- Final check and dispatch of export.

Receiving Documents To Arrange Shipment

The following are the main document to which are received from the exporters to make arrangement for shipment.

- ❖ Invoice
- ❖ Packing list
- ❖ Letter of credit
- ❖ GR Form
- ❖ Exporters declaration

Preparing Shipping Bill

Shipping bill is prepared by the clearing and forwarding agents. Shipping bill is a declaration made to the customs regarding the goods that are going to be exported. Details required for preparing the shipping bill are

- ◆ Country code
- ◆ Commodity code
- ◆ Current exchange rate
- ◆ Terms of payment
- ◆ Commission, Discount, Insurance
- ◆ Advance license number
- ◆ Vessel Name, unit of container
- ◆ Name and address of the exporter
- ◆ Name and address of the importer
- ◆ Customs house agents name and address
- ◆ IE Code no
- ◆ Nature of contract (i.e., whether CIF or FOB etc)
- ◆ Shipping marks and No
- ◆ Value in FOB
- ◆ Total less and duty to be payable
- ◆ Details regarding in drawback

Objectives of the Study

The objectives of the study are as follows

1. To study about the CHA's and identify their functions.
2. To study the various products handled for international business by the CHA's
3. To examine the transportation mode used by CHA's
4. To examine the various facilities provided by the CHA's to the Customer
5. To analyse the general service requirements by the Exporters during the movement of goods from a CHA's

6. To analyse the problems faced by the CHA's

Scope of the study

In the year 1991 onwards India adopted Liberalisation, Privatization and Globalisation and strongly enter into foreign trade. There is a wide range of improvement in the field of foreign. The very huge formalities involved in to Foreign trade at the source time lot of human skill is required even though the CHA's are in main fulfillment of Export and Import activities.

In the field wide range of scope and opportunities going on related to study and business area. The Researcher can study related topics to CHA's Electronic Data Interchange, Shipping Agents, Buying Agency in port Inland Container Depot and Container Freight Station.

Review of Literature

1. Analyse in the Topic "A study on role of freight forwarders and CHA in logistics with special reference to SHANN's Cargo (p) Ltd by
2. Analyse in the Topic "A Study on role of CHA in logistics by P.Senthilkumar, S.N.R College in the year 2003-2005.

Methodology

Methodology is a essential aspect of any research. It enables the investigator to look at the research problem in a systematic, meaning and orderly way. Methodology comprises of the sources of data collection, sampling design, hypothesis and techniques used for analyzing the data. The research design undertaken in this study of descriptive in nature, since it provides a description of the state of affairs as its exists in the organization at performance management. The sample size taken for the study is 100. The instrument used in the present study is Questionnaire. Pilot study were done to test the questions and to make some modifications in the questionnaire. The study concentrated through the analysis of tabulation, comparative percentage, bar diagrams, Chi-square test is used in the appropriate places.

The Chi square test is an important test amongst several tests of significance developed by statisticians. Chi square, symbolically written as X(pronounced as chi-square) is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. As a non-parametric test. It can be used to determine if categorical data shows dependency or the two classifications are independent. It can also be used to make comparisons between theoretical population and actual data when categories were used. Thus the Chi-square test is applicable in large number of problems. The test is, in fact, a technique though the use of which it is possible for all researchers to (i) test the goodness of fit (ii) test the significance of association between two attributes, and (iii) test the homogeneity or the significance of population variance

$$X^2 = \frac{(O - E)^2}{E}$$

♦ = Observed Frequency

♦ E = Expected Frequency

Analysis

The following table shows the Services provided by Customs House Agents

S.No	Particulars	Yes	No	Total
1.	Ware Housing	23 (19.33)	27 (30.66)	50
2.	Packing	17 (19.33)	33 (30.66)	50
3.	Insurance	18	32	50

The table value of X^2 for 5% level of significance at 2% degree of freedom is 5.991. Comparing the table value and the calculated value of X^2 , we find that the table value is greater than calculated value. Hence the hypothesis is accepted.

Findings:

- Majority of the respondents holding permanent license
- Most of the respondents are handled to import the Engineering goods
- Most of the respondents are using Sea & Air Transportation
- Majority of the respondents loaded full container consignment
- Many of the respondents are not providing warehousing facilities
- Most of the respondents are fixing freight rates on weight basis

Suggestions

- Customs procedure need for modification so that the cargo can be cleared properly
- The exporter and importer need to proper assistants to the customs house agents for shipmenting
- Reduction in Service charges will help to increase the volume of trade.
- CHA's should provide market development assistant for the shippers who have the potential in manufacturing commodities but do not have the marketing competence
- For Indian business to be able to compete effectively in the global market of the 21st Century there needs to be a revolution in logistics

Conclusion

CHA's are in company form of organization have more than 9 years of experience doing shipment range is Rs.200-300 lakhs. They handled all type of goods in export and import. They work for all type of customers and Use Sea and Air Transport. They handle 20 feet and 40 feet container and less container load and full container load. They handle general cargo container and stuffing is done is all places like Airport, House Stuffing and Inland Containers Depots and pay Freight Rates at destination and advance payment. They provide Facilities like information about Vessel movement, packing and insurance.

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