



LOGISTICS INSIGHT OF IMPORT AND EXPORT IN AIR CARGO

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ABSTRACT

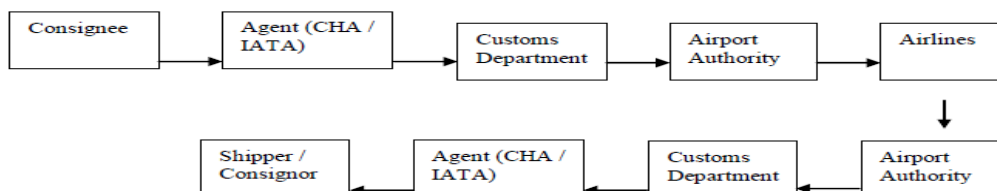
The successful operation of the logistics depends on the process that is performed by the company. There are certain forms of the warehouse to operate the business of logistics. Nowadays, Logistics started using the process of the insight import and export for maintaining its operations. The import and export in Logistics is a strategic expansion of ordinary warehouses that are usually developed in the ports and related cities, strictly meant for safe-keeping of cargoes for owners before final take-over by consignees after payment of some customs duties. Air cargo deals with international transactions which are supposed to be more expensive. This study will attempt to identify and analyze the stages of the import and export process in air cargo that is performed by the company and provide them necessary recommendations to perform the process in terms of increased productivity, cargo-throughput, efficiency and development of the society at large.

Keywords: Logistics, Warehousing, Air Cargo, Import and Exports.

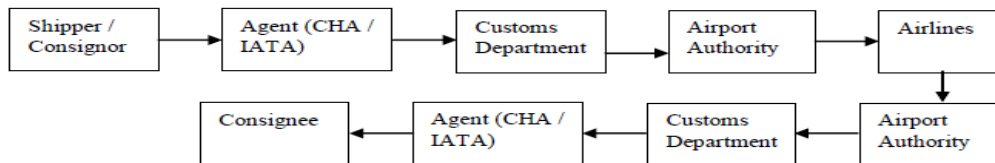
INTRODUCTION

Logistics is the business of making the Cargo available in the right form at the right place and at the right time at the least possible cost. It provides an acceptable service to the customer

Import Process Flow



in a cost effective manner reducing time and adding value to the product involved in the transfer process. This is the point where the concept of air freight was thought over and came into being. The regular and fast exchange of goods by air from one point on the globe to another within a short span of few hours has helped to raise the standard of living and industrial development in many of the developed and underdeveloped countries. The gradual build up of air cargo traffic during the last three decades speaks for the sudden boom in the entire air freight network. In the present age of wide bodied aircraft the development of air cargo has grown beyond the dream of every optimist. Today's air freight items include everything from an apple to an elephant. Items with short span of life and items like life saving drugs etc. are now a regular feature of the air freight. Thus to match the ever increasing demands of the business logistics in this jet age, air freight is the only answer. Compared to other modes of transport, namely road and rail – aviation requires less capital for building infrastructure – it costs less to build a network of airfields than to provide the same level of connectivity (roads and railway systems) between a numbers of places. Air cargo is any property carried or to be carried in an aircraft. Air cargo comprises air freight, air express and airmail.

Export Process Flow

From the above diagrams it is clear that apart from different national and international government authorities four different bodies are necessary for completion of an import/export process between a consignor and a consignee. They are namely:

- Freight Forwarder and IATA Agent
- Customs Authority
- Airlines
- Airport Authority

OBJECTIVE OF THE STUDY

The primary objective of the study is to learn about Logistics insight into Air Cargo Import and Export.

The secondary objectives are to study

- application of logistics in import and export
- use of logistics in air cargo
- the role of different entities in the whole process
- import and export procedures and documentation
- statistical analysis and representation of import and export data
- Problems and suggested solutions for the system.
- Logistics and its application in import and export
- Logistics in air cargo

RESEARCH METHODOLOGY**Research Design:**

The research used descriptive type of research for the study.

Sampling method:

Non-Probability sampling-(simple random sampling)

Sample Size:

The sample size of 100 respondents is collected.

Data Collection:

Data is collected from primary data and secondary data.

STATISTICAL TOOLS USED:

- Percentage Analysis

- Chi-Square test
- One way ANOVA
- Correlation Analysis

FINDINGS

- The reason for opting for import and export is both safety and security by 74% of the respondents, 14% of the respondent as security and 12% of the respondent as safety respectively.
- It is found that 44% of the respondent agree to the fact that the import and export undergoes operations without payment of duty, 26% of the respondent as indifferent and 14% of the respondent strongly agree to the fact that the import and export undergoes operations without payment of duty.
- It is found that 63% of the respondents strongly agree, 24% of the respondent agree and 10% of the respondent are indifferent to the fact that the customs bond must be posted with the government.
- It is found that 49% of the respondents are destroyed under customs, 26% of the respondents are withdrawn for supplies and 16% of the respondents are exported as situations when liability is generally cancelled.
- It is found that 52% of the respondent agrees to the fact that the import and export provides specialized storage services, 24% of the respondents disagree and 10% of the respondents strongly agree to the fact that the import and export provides specialized storage services.
- It is found that the buyer is important by 22% of the respondents, 21% of the respondents as the customs office, 18% of the respondents as consignee, 12% of the respondents as cargo carrier and 11% of the respondent as cargo respectively.

- It is found by 62% of the respondents that instructions to keep cargo in custody is the major process, 16% of the respondents as payment, 12% of the respondents finds consignee as the highest procedure, and 14% of the respondents finds buyer as the highest procedure of the entity to be performed.
- It is found that 25% of the respondents belongs to cargo, 24% of the respondents belongs to customer broker, 16% of the respondents belongs to cargo career and 12% of the respondents belongs to the buyer.
- It is found that 83% of the respondents have necessary man force to operate this process.
- It is found that 26% of the respondents special focus and attention on customer broker, 21% of the respondents requires special focus on buyer's forwarding agent, 16% of the respondents requires special focus on buyer and 11% of the respondents requires special focus on customs office respectively.
- It is found that 37% of the respondents finds instructions to keep cargo in custody as a process to be rectified, 19% of the respondents finds discharge of cargo into a import and export as a process to be rectified, 15% of the respondents finds payment as a process to be rectified and 13% of the respondents finds bills for lading as a process to be rectified.
- It is found that 43% of the respondents strongly agree, 20% of the respondents disagree and 18% of the respondents agree to the fact of incentive programs provided to employee that makes the employee to perform better.
- It is found that 47% of the employees strongly agree, 21% of the employees strongly disagree, 14% of the respondents agree to the fact on investing in learning and growth opportunity programs provided to employee that makes the employee to perform better.
- It is found that 33% of the respondents strongly disagree, 30% of the respondents strongly agree and 21% of the respondents agree to the internal advancement track provided to

employee that makes the employee to perform better.

- It is found that 33% of the respondents agree, 30% of the respondents strongly agree, 21% of the respondents strongly disagree, 10% of the respondents disagree and 6% of the respondents are indifferent based on the import process flow.
- It is found that 29% of the respondents agree, 26% of the respondents strongly agree, 22% of the respondents disagree, 14% of the respondents are indifferent and 9% of the respondents strongly disagree to the export process flow.

SUGGESTIONS AND RECOMMENDATIONS

To take delivery as agreed or without agreement on delivery, taking delivery promptly and properly is both the right and the obligation on the merchant party under the contract of carriage. In certain regimes, this obligation is borne by the consignee. In my opinion, on the basis of the contract of third party's benefit, and the theory of instrument of value if a bill of lading has been issued, the consignee is obligated to receive the goods only when he has exercised any right under the contract of carriage or transport document. When there is no consignee showing up in time, the controlling party is responsible to make the goods deliverable, when the controlling party is unidentified or fails to take this responsibility, the shipper will be the final obligator. National laws and contract theories provide the carrier with remedies when the goods are not taken over. These remedies shall discharge the carrier from the obligation of the actual delivering of the goods or from the manner as agreed. Meanwhile, with the remedies, the responsibilities of the carrier to the safety of the goods shall be reduced and the carrier shall only be acting due diligence to dispose of the goods under the statutory authority. After exercising the remedy, for instance, warehousing the goods, the risks and expenses shall be transferred.

CONCLUSION

From the above analysis, it can be concluded that delivering the goods properly, including delivering it at proper place, on proper time and to the proper person, is the essential obligation

on the carrier under the contract of carriage of goods. In addition, as an implied rule, without otherwise stipulations or customs, the goods shall be delivered to the consignee or his agent personally. The logistics companies have to constitute a proper delivery and the carrier, according to the contract, was supposed to deliver to the consignee until reasonable time elapsed. Even there is the agreement on the time and place of delivery, if not agreed otherwise; the goods shall generally be delivered to the consignee. However, it is not uncommon that the goods are still kept by the carrier owing to some reasons or to the defaults on the part of the consignee in taking delivery. The consignee may be improperly delayed, or the consignee rejects the goods, and even sometimes, there is no consignee showing up. The obstructions for delivery may result from various reasons, not least delay of the bill of lading and delay by the consignee. In addition, the consignee may refuse to accept the goods because of damages to the goods during transit, or disputes under the sale contract, or difficulties in the market or policy.

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