

A Study At Orbis Logistics And Role Of Customs House Agent In Import And Export Clearance

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Abstract: *The Customs House Agent (CHA) occupies an indispensable position in facilitating smooth import and export clearance within international trade. This study examines the operational role, documentation responsibilities, coordination activities, and challenges encountered by CHAs at the study organization a professional freight forwarding and customs clearance service provider. Using a descriptive research design and census-based primary data collection from all 55 employees across Operations, Documentation, Import, Export, Accounts, and Warehouse departments, the study captures first-hand insights into the entire customs clearance lifecycle. A structured questionnaire administered via Google Forms served as the data collection instrument, and statistical tools including percentage analysis, descriptive statistics, Cronbach's Alpha reliability analysis, and one Way ANOVA were applied using IBM SPSS. The findings reveal that documentation accuracy, inter-departmental communication, technology adoption through platforms such as ICEGATE, and coordination between CHA staff and customs authorities are the principal determinants of clearance efficiency. Key challenges identified include documentation errors, inspection delays, and coordination gaps. The study recommends investment in digital documentation management systems, centralized communication platforms, structured training programs, and standardized operating procedures to strengthen customs clearance performance. These findings contribute to the limited body of organization-specific CHA research in the Indian logistics context and provide actionable strategies for improving operational efficiency in freight forwarding environments.*

Keywords: *Customs House Agent, Import Clearance, Export Clearance, ICEGATE, Freight Forwarding, Logistics, Documentation Accuracy, Supply Chain*

1. Introduction

The Customs House Agent (CHA) serves as the authorised intermediary between importers, exporters, shipping lines, port authorities, and customs officials, ensuring that goods are cleared efficiently across international borders. In India, the profession is regulated by the Central Board of Indirect Taxes and Customs (CBIC), which enforces standards governing documentation, duty assessment, and customs compliance. The global expansion of trade has amplified the strategic importance of CHAs in maintaining supply chain continuity.

Import and export clearance encompasses filing Bills of Entry and Shipping Bills, classification of goods under Harmonized System (HS) codes, payment of customs duties and GST, cargo examination, and coordination with

port and terminal operators. Any error in this chain can cause shipment hold-ups, financial penalties, and supply chain disruptions. The growing adoption of digital systems such as ICEGATE has transformed customs operations, enabling paperless submissions, real-time tracking, and enhanced transparency.

This study focuses on the organization a professionally managed freight forwarding and logistics company to understand how CHAs perform their responsibilities in practice and where operational improvements can be made. The findings are grounded in data collected from employees directly involved in customs clearance activities during an internship period, providing both academic and practitioner relevance

2. Objectives of study

- To examine the role of the CHA in facilitating smooth import and export clearance at the study organization.
- To analyse documentation and customs clearance procedures followed in import and export operations.
- To evaluate the efficiency of clearance activities in terms of time, accuracy, and regulatory compliance.
- To identify major operational challenges faced by CHAs in the clearance process.
- To suggest practical strategies for improving operational efficiency in import and export clearance services.

3. Review of Literature

A 2019 study on customs clearance in international trade found that delays are commonly caused by inadequate documentation, incorrect product classification, and insufficient stakeholder communication. The study recommended automation and digital technologies to reduce processing time (ResearchGate, 2019).

Research from 2020 established that technology adoption in logistics spanning warehouse management, transportation planning, and customs clearance significantly reduces operating costs and improves service quality (IJERT, 2020). A 2021 investigation demonstrated that automation accelerates customs clearance, with electronic documents and online payments reducing delays at the point of clearance (ScienceDirect, 2021).

A 2022 study highlighted that logistics companies struggle with compliance gaps, documentation errors, and inspection delays, recommending employee training in customs regulations and enhanced inter-agency collaboration (Springer, 2022). A 2023 study confirmed that efficient customs clearance directly decreases delivery time and strengthens supply chain performance, with digital systems playing a central enabling role (Wiley, 2023).

A 2024 study on digital advancements in logistics demonstrated that data analytics, AI, and automated systems lower operational costs and accelerate customs clearance throughput (MDPI, 2024). Collectively, the literature underscores the importance of documentation accuracy, technology, inter-agency communication, and trained personnel areas directly investigated in this study.

Research Gap: Existing literature is largely theoretical and focused on large-scale logistics systems. There is a significant shortage of organization-specific, case-based studies examining the practical challenges of CHA operations within Indian logistics companies. This study addresses that gap.

4. Research Methodology

This study adopts a descriptive research design to observe and document customs clearance operations as they function in practice at the study organization, without manipulating variables or creating artificial conditions.

The research population comprised all 55 employees involved in customs clearance and logistics operations across six departments: Operations (51%), Documentation (20%), Import (11%), Export (7%), Accounts (7%), and Warehouse (4%).

The Census Method was employed, ensuring data was collected from every member of the population rather than a sample, thereby maximising representativeness. Primary data was gathered through a structured questionnaire administered via Google Forms. The instrument covered documentation procedures, CHA-customs coordination, technology usage, cargo handling, inter-departmental communication, and overall clearance transparency, assessed on a five-point Likert scale.

Secondary data was sourced from academic textbooks, research journals, CBIC government publications, ICEGATE documentation, and industry reports. Statistical analysis was conducted using IBM SPSS, applying percentage analysis, descriptive statistics (mean and standard deviation), Cronbach's Alpha reliability analysis, Pearson correlation, and One Way ANOVA.

5. Data Analysis & Finding

Respondent Profile: 67.27% of respondents held Executive designations, with 18.18% interns, indicating that operational-level staff are the primary custodians of customs clearance activities. Nearly 91% had three years of experience or less, reflecting a young, developing workforce.

Documentation & Technology: 63.64% strongly agreed that proper documentation is essential for smooth customs clearance, and 54.55% strongly agreed that documentation errors cause clearance delays. Regarding technology, 50.91% strongly agreed that digital documentation systems improve accuracy and efficiency, and 78.18% agreed that technology has improved import clearance operations, affirming the positive impact of platforms like ICEGATE.

Import & Export Clearance: 78.19% agreed that import clearance procedures are completed efficiently, while 70.91% confirmed that export clearance is smooth and timely. 81.82% confirmed that export documentation is processed accurately, though 23.64% remained neutral on whether customs authorities provide consistently timely approvals, suggesting variable processing timelines.

Communication & Coordination: 87.27% agreed that lack of inter-departmental communication causes delays the strongest consensus in the entire study. 80% confirmed that communication between departments improves export clearance efficiency, and 78.18% agreed that communication with customs officials is effective, though 9.09% identified room for improvement.

Warehouse & Cargo: 83.64% confirmed timely delivery from warehouse to customer, and 83.64% agreed that cargo tracking systems effectively monitor shipment status.

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Key Finding	Mean	Agree %
Documentation essential	4.27	81.82%
Errors cause delays	4.24	80.00%
Digital systems improve efficiency	4.18	76.36%
CHA-customs coordination	4.02	74.54%
Communication affects efficiency	4.24	80.00%
Cargo tracking effective	4.22	83.64%
Timely warehouse delivery	4.24	83.64%

Table 1: Key Descriptive Statistics Summary Reliability: Cronbach's Alpha of 0.955 across 27 items confirms excellent internal consistency of the measurement instrument. ANOVA results indicate statistically significant differences in documentation organisation (p=0.025), CHA-customs coordination (p=0.039), inspection completion time (p=0.046), export documentation accuracy (p=0.034), and timely customs approval (p=0.018), confirming these as critical performance drivers.

6. Industrial profile

The Indian logistics and CHA market was valued at USD 18.4 billion in 2025 and is projected to grow to USD 24.9 billion by 2030, reflecting a CAGR of 6.2%. This growth is driven by expanding international trade, containerisation, infrastructure development, and the government's push for digital trade facilitation.

the organization operates within this ecosystem as a professionally managed freight forwarding and logistics coordinator, offering sea freight (FCL/LCL), air freight, inland transportation, customs clearance support, warehousing, and value-added logistics services. Its warehouse operations cover receiving, inspection, storage, inventory management, order dispatch, and client support each functioning as a critical link in the customs clearance chain.

7. Conclusion

This study confirms that successful customs clearance at the study organization is not the product of any single factor but the combined effect of accurate documentation, effective inter-departmental communication, technology adoption, trained personnel, and well-coordinated CHA-customs relationships. Documentation errors and communication breakdowns emerge as the two most critical operational risks, yet both are addressable through targeted investment.

Recommended actions include: implementing an advanced digital documentation management system (est. ₹8 lakhs); deploying a centralised communication platform (est. ₹5 lakhs); conducting regular training on ICEGATE and customs regulations (est. ₹4 lakhs/year); upgrading to real-time cargo tracking (est. ₹10 lakhs); formalising Standard Operating Procedures (est. ₹3 lakhs); and establishing a compliance monitoring framework (est. ₹6 lakhs). These investments, when implemented, would substantially reduce clearance delays, enhance client satisfaction, and reinforce the study organization as a dependable partner in global trade.

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