CHAPTER – II

REVIEW OF LITERATURE

2.1 General

The review of existing literature is not customary, rather it is an essential part of research work. It also facilitates the comparison between the earlier findings and findings of the present study. The aim of literature review is to show that “the writer has studied existing work in the field with insight”. So, a good literature review raises questions and identifies areas to be explored.

An attempt has been made here to make a review of the studies on Customs House Agents. Many scholars have shown great interest in studying the various aspects related to Customs House Agents in India. It would be appropriate to have a brief review of some of the work done so far in this field. Available literature with rich body of information has helped the researcher a lot in developing an insight into the problems that have been studied and explained here.

2.2 Review

George N. Kenyon et al., (2002)\(^1\) in their article state that Logistics outsourcing has a significant effect on how manufacturing firms produce and deliver products to their customers. Indeed, many manufacturing firms do not own or manage the transportation

and warehousing resources used for inbound and outbound shipments from their facilities. Earlier research, however, has cast doubt on the efficacy of outsourcing, as some companies experience favorable performance outcomes while others do not. Their research investigates the effects of logistics outsourcing on cost by analyzing empirical data across a wide variety of industries, using data from a survey of manufacturing plant managers. Our analysis indicates that outsourcing logistics activities slightly increased COGS, but the existence of moderating factors suggests interesting new strategies for outsourcing the logistics functions.

The concept of innovation is regarded in most organizations as an effective tool to create and sustain competitive advantages. The logistics function is an area that is increasingly seeking ways of adding value through innovation (Soosay and Hyland, 2004).

It has transformed from the business concept of transportation to that of serving the entire logistical needs of customers. The service component offers a very good chance of gaining sustainable competitive advantage in the hypercompetitive global market. Conversely, poor service or a reluctance to innovate offers a fairly good chance of losing customers (Chapman et al., 2002; and Esperet et al., 2007). Chapman et al. (2002) also found that the advances in technology and communication have compelled this industry to strive permanently for new products and solutions.

Pradeep Kumar Dubey and Janat Shah (2002), examines the relationship between the Strategic Attributes (SA) and Value Added Services (VAS) of Logistics Service

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Providers (LSPs) in India as they move up the Value Chain. This study was undertaken to understand the structure and evolution of Logistics Service Providers to a higher level in the Value Chain. The study addresses the relationship between the Strategic Attributes and Value Added Services which help a Logistics Service Provider to grow upward. Sample of 159 organizations participated in this study.

The respondents were top management executives which include Chairman, MD, CEO, Heads etc. The study not only supports the existence of a relationship between the Strategic Attributes and Value Added Services, but also that the degree of the relationship is increasing linearly when there is an upward movement in the Value Chain. The findings of the study are useful for LSPs to plan the superordinate goals as they move up the Value Chain. The Logistics Service users can understand the level at which the service provider is working with them. The Strategic Attributes and Value Added Services are useful to the Logistics Service users while making a criterion for the selection of an LSP.

Konstantin Makukha and Richard Gray (2000)\(^3\) said although logistics partnerships are common, incentives for entering into strategic arrangements and the determinants of their success are not well researched. Many logistics partnerships, being operational in nature, are of a logistics partnership on a shipper's strategic moves and competitive positioning has not been researched thoroughly.

A Delphi investigation reveals that although large companies form logistics partnerships, the perceptions of partnership formation motives, inhibitors and orientations by shippers and logistics service providers (LSPs) are likely to differ. In particular, shippers tend to avoid close integration with LSPs, whereas LSPs claim to be true strategic partners but remain unable to provide the service required. The failure to integrate on a strategic level suggests a lack of strategic management knowledge by relevant managers. The study suggests that most existing logistics partnerships are still operational rather than strategic in nature.

Lars Erik Gadde et al., (2001)\(^4\) pointed out that for the last couple of decades the interest in logistics alliances and third party logistics (TPL) has been growing in academia and industry. The common perspective is to consider TPL as outsourcing of logistics activities. The aim of this paper is to take a complementary perspective by looking at TPL rather as in sourcing of resources; i.e. the shipper gets access to the providers’ resources.

We start by presenting some basic characteristics of the established view of TPL and some of the problems with TPL identified in prior studies. We further discuss how these problems could be tackled if viewed as resource in sourcing rather than activity outsourcing.

The analysis indicates that such a perspective provides a useful complement for the understanding of TPL in the four phases of pre-alliance considerations, implementation, alliance operations, and performance assessment. For example, as

resources are shared among a number of actors, adaptations in the resource collection of each party are required. This can reduce costs for all participants, but demands a long-term perspective with regards to investments.

Further, the fear of losing control when using TPL can be helped through developing close relationships thus gaining indirect control of the provider’s resources. Another example concerns the implementation phase where a resource insourcing perspective would recommend the shipper to avoid detailed direction of suppliers who have been chosen for their competence to provide good services.

Murphy et al., and Daley et al., (1992)\(^5\) explained in their article that the freight forwarders are referred to as international trade specialists offering a variety of services to facilitate the movement of international shipments. They also have studied the determinant factors of international freight forwarders selection and concludes that forwarder’s expertise and reliability of service are the most important selection criteria while forwarder size emerged as the least important one.

Jacob Koshy (1999)\(^6\) In his study GAC strives to blend traditional excellence and trust with professional competence and state of the art technology to provide service in Marine and inter modal transport.

The shipping industry as a whole at Cochin will experience more uplift because the trend in the foreign trade will increase in the coming years. It has also been noted that


the clearing and forwarding and shipping procedures, the custom formalities etc. is being more complex than that in Chennai, Mumbai etc. Therefore, the services of such accredited agents are very helpful and necessary.

Mike W. Peng and Anne S. York (2001)\(^7\) Intermediaries perform an important “middleman” function by linking individuals and organizations that otherwise would not have been connected. Many smaller firms are intimidated by the challenges associated with exporting. Despite having more resources, many larger firms may be unwilling to commit to newer, nonessential markets. In such cases, export intermediaries may emerge as indirect distribution channels connecting domestic firms and foreign customers. A number of different “intermediaries” exist, ranging from freight forwarders, customs house agents, custom brokers, and trading companies (all in the exporting country) to manufacturers’ representatives and distributors (in the importing country). Our research focuses on “middlemen” located in the exporting country, who help exporters find customers or make sales for them – in short, “export intermediaries”.

When exporting, manufacturers essentially have two channel options: (1) direct export, or (2) indirect export via export intermediaries. Therefore, to ensure that exporters choose the second choice, export intermediaries must lower their clients’ export-related transaction costs relative to those of the first choice. Their performance thus depends on how successful they are in lowering these costs.

Svensson (2002)\(^8\) in his article states that logistics is usually concerned with satisfying the supply of the customers’ needs and wants in a marketing channel (or a distribution channel or a supply chain), while marketing usually focuses on satisfying the demands of the customers’ needs and wants in the same channels. Marketing and logistics may be seen as a chain of inter dependent activities that complement each other in order to facilitate the exchange processes between the buyers and the sellers.

Wood et al., (2002)\(^9\) the researcher has highlighted that Intermediaries have an important role to play in the shipping industry. They provide various vital services to shipping lines as well as shippers and an important link between the two intermediaries exist because they improve the efficiency of marketing channels.

Siju Joseph (2002)\(^{10}\) the researcher concludes that the advent of globalization has witnessed dramatic changes in the way of business that have operated across the world during the last decade. New client requirements, low transport cost and development have given major boost to international trade. The study based on container movement from Cochin port to European sectors has provided that quantity of exports and the container movement shows upward trend. It also reveals that the role of shipping agent in international trade is an inevitable one.

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\(^{10}\) Siju Joseph., “A Case Study on Container Movement from Cochin Port to European Sector and the Role of Shipping and Forwarding Agent”, 2002.
Aghazadeh (2003)\textsuperscript{11} presents four relevant criteria for selecting an effective 3PL such as: similar value, information technology systems, key management, and relationship. He also illustrated the five steps involved in this selection, which are: making decision on the need to use or not use a 3PL; developing criteria and objectives which the provider should meet, weeding out process by making a list of possible 3PL; determining the top prospect to meet the potential 3PL; and beginning the new partnership with the chosen provider.

Shmeera (2003)\textsuperscript{12} in this study, the researcher has framed the following objectives: 1) To know about the role of clearing and forwarding agents in international business 2) To study about the export procedures followed by clearship forwarders and 3) To know the services rendered by the Clearship Forwarders.

Sanoj R. Mohanan (2003)\textsuperscript{13} in this study the researcher suggests that right decision in logistical and transportation services would help Prasanna Express Cargo to improve their efficiency. Consumers must be given more preference to track and trace system, timely pick up of materials and the feedback of their goods. This helps to increase the efficiency of the firm.

Shankar (2003)\textsuperscript{14} From this study the researcher concludes that most of the respondents i.e., the exporters in Tirupur city have perceived that the services of C&F

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Agents are indispensable as far as export trade is concerned. Also it is evident from the study that the service rendered by the C&F Agents is satisfactory.

Lummus et al., (2003)\textsuperscript{15} have discussed this topic. They noticed how, quantity discounts and promotions can result in forward buying, where items are brought in advance of requirements, because of an offer. In addition, trade deals are often region based, which leads to diversion, where material in one area is resold in other markets where the deal is not running.

Chapman, Soosay and Kandampully, (2003)\textsuperscript{16} in the article of Chapman et.al, the internal business perspective translates the customer perspective into what the company must do in order to meet its customer’s expectations. For a logistics service provider, these innovations can mean to change from short a long distance transport and new communication systems such as RFID or web services. Financial performance indicators, measure whether the company’s strategies, implementation and execution contribute to bottom – line improvement

Gordon, (2003)\textsuperscript{17} Gordon has pointed out that a change in the sector of the logistics industry has been the development of LLPs that function as supply chain masters’ for shipping companies acting as a single point of contact while managing a network of 3PLs for service delivery. Two predicted consequences of the use of 3PLs by shippers are increased business for larger 3PLs that meet shippers’ demands; and smaller


3PLs struggling with the reduced margins, forced technological compliance and possibly termination.

Delfmannet et al., (2002); Lai et al., (2004)\textsuperscript{18} the 3PL can perform logistics functions of their customer either completely or only in part and currently, they have their own warehouses, transport fleets and their credits are often deployed throughout the world. Most 3PL have specialized their services through differentiation, with the scope of services encompassing a variety of options ranging from limited services to broad activities covering the supply chain (Sink \textit{et al.}, 1996).

Melnyk, et al., (2004)\textsuperscript{19} describes that customers increasingly expect shorter delivery times and more accurate services. As a result control of logistics service providers increases in complexity. Performance indicators can support the management of complex systems. The increasing use of information and communication technology – also in small medium sized companies – facilitates data collection on a broader scale and could lead to more extensive performance measurement.

Aneesh (2004)\textsuperscript{20} in his study highlighted that across the globe, shipping lines and their exclusive general agents are fighting a battle against the survival of the fittest. The agent renders a number of services like documentation, cargo consolidation, loading and unloading and customs operations. In addition there are short term information flows like arrival and unloading status, custom release status and information about pre-mentioned schedules. Agent’s participants have different level of technical sophistication.


Sreenath (2005)\textsuperscript{21} in this study the researcher has concluded that airlines have considered cargo as a by-product of passenger transport. But the advantage of freighters and combi craft has sowed a new status in the air transport industry. Besides that the new schemes and policies such as e-freight has become a strong base for the growth of cargo transmission through Air.

The effect of modernization has also made new advancement in the air cargo handling by way of e-business revolution. In air cargo as early specified e-freight system has made a surprising change and in passenger traffic the e-ticketing, system, bar-coding boarding system etc. To conclude, IATA is emerging with new schemes and policies to increase the share of air cargo in the new business world and till this day the growth of air cargo is increasing beyond expectation.

Dinu Domnic (2005)\textsuperscript{22} in this study the researcher came to know about the importance of multimodal transportation and the problems faced by multi modal transport operator’s (MTO’S) in doing multimodal transportation. In today’s complex business environment, multi modal transportation plays an important role in the supply chain of the companies in order to make the delivery cost effective and of high quality service. The multimodal transport operator has to pay special attention to their activities. Hence research in this area is necessary to identify the problem faced by multimodal transport operators and also to find a solution for that.

\textsuperscript{21}Sreenath, M.N., “A Study on Role of IATA in Freight Forwarding with Reference to SHAAN’S Cargo, Cochin”, 2005.
\textsuperscript{22}Dinu Domnic., A Study on Multi-modal Transportation with reference to Gulf Agency Company”, 2005.
Grant et al., (2006)\textsuperscript{23} suggests that attempts to seek markets opportunities have been made due to the fact that the industrialized nations have matured – that is to say, their economic growth rates have slackened. Manufacturers have increased raw materials and component acquisition from other countries (i.e. global sourcing). A global financial network has developed that allows multinational enterprises to expand their operations. Hence, there is a need for logistical operations so as to enable free movement of goods and services.

Girish Gujar (2006)\textsuperscript{24} analyzed the multimodal transportation system in India; identified the numerous facets of the system; and studied the role of multimodal transportation in the economic growth of the country. It also highlights the shortcomings and challenges India is facing because of legislation, policy failures, infrastructure limitation and operational deficiencies and suggests measures for improving efficiency and operation.

Mishra et al., (2006)\textsuperscript{25} studied the Problems, Challenges and Opportunities of Logistics with special reference to Indian Economy. They believed that the logistics industry in India is evolving rapidly and it is the interplay of infrastructure and technology. A new type of service providers have emerged and they will define whether the industry will be able to help its customers to reduce their logistics costs and provide effective services.

\textsuperscript{24}Girish Gujar, ‘Growth of Containerization and Multimodal Transportation in India’, 2006.
Rajesh (2006)\textsuperscript{26} in this study, the researcher has studied various factors, which affect the decision of the shippers in selecting the consolidator. The researcher strongly believes that the suggestions made in the study shall win the attention of the management and come up with an ideal solution that will enhance both the customer and the company to reach out the vision of the company. The major problem faced by the Cochin port is congestion, which is to say a shortage of space. To overcome this problem effective utilization and management of logistical service is needed. There should be efficient system to clear the goods from dock. The government’s plan to construct a four line express way and railway line from Cochin port to Kakkanad Highway exclusively to carry containers from port is expected to solve the problem of congestion in road and rails.

Jean Francois Arvis et al., (2007)\textsuperscript{27} in their article, they remarked that the increase in global production sharing the shortening of product life cycles, and the intensification of global competition all highlight logistics as a strategic source of competitive advantage. Since the advent of modern trade several centuries ago, the international movement of goods has been primarily organized by CHAs & freight forwarders. Typically large networks of companies with worldwide coverage, capable of handling and coordinating the diverse actions are required to move goods across long distances and international borders. More recently, the rise of intermediaries (CHAs, express carriers and third party logistics providers) has expanded the scope of services available to traders.

\textsuperscript{26}Rajesh., “An Analytical Study on Customer’s Satisfaction (Cochin) towards Services rendered by Logistics Companies”, 2006.

Savitha (2007) in this study, the researcher reveals that their role in logistics is significant for the purpose of export and import. The exporters and importers find less risk for the documentation procedures. The number of active cargo handling and custom house agents has been increased for the upliftment of export and import. The smaller exporters are benefited by custom house agents. Multimodal transportation has to gain importance in India. The logistics activities are in a developing stage and a successful road and rail transportation has to be improved.

Tharun Shankar (2007) in this study, the researcher has suggested that customer driven supply chain has become a prime focus with value added services such as just–in-time deliveries, high compliance systems and lower transportation costs. To this end, many shippers and suppliers have realized the growing power of intelligent and optimized transportation and logistics solutions and speed of information processing to cut down their service costs and its amazingly added value to the customers. It is therefore no wonder that today companies are focused on intelligent logistics as a key business tool to enable them to penetrate markets, improve returns and sustain.

Vaidyanathan (2007) in his article he has highlighted the role of logistics service providers. As regards the logistics service providers, quality infrastructure support is not always available on time, due to the high pace of economic development. This includes airport infrastructure, seaports, highways and express ways.

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Vijayaraghavan (2007)\textsuperscript{31} the objective of this articles to put forward the macro perspectives in Indian transportation logistics, the scenarios in the infrastructure, which constitute Macro Logistics in the country. Transportation has great impact on a country’s economy.

Anisha Alphonse (2008)\textsuperscript{32} in this study, the researcher brings into practice, the containerization and container movement. Everywhere in the study, it is noticed that the container movements through CONCOR was only with the help of ICDs, CFSs etc. Freight forwarders and shipping companies earn more profit through exports and imports. The new millennium has a large potential for the development of containerized traffic, provided, matching infrastructural facilities are also developed. Hence, there is further scope for containerized traffic.

Kannan (2008)\textsuperscript{33} this paper aims at providing a framework to exim firms for the selection of an optimal Custom House Agent (CHA) by using the Analytic Hierarchy Process (AHP). In his article, he stated that the firms involved in export import operations select their optimal Custom House Agent (CHA) by using Analytical Hierarchy Process (AHP). Exim firms often face the problem in selecting their optimal CHA for clearing their export or import goods from customs. This is a vital decision because delay in custom clearance will halt the goods and will lose their time utility. An optimal CHA will ensure timely clearance of goods from customs and thus contribute to time utility of the

\textsuperscript{31}Vijayaraghavan., “Impact of transportation Infrastructure on logistics in India”, 2007.
same. It is concluded that in real life situations, the exim firms shall select the optimal CHA with ease by applying this framework based on Analytical Hierarchy Process.

Sreedevi (2008)\(^{34}\) in this study, the researcher remarked that the shipments from India are not to the mark. It lacks perfection in many sectors. The construction of an international container Transshipment Terminal at Vallarpadam in Cochin port will bring tremendous change in shipment. The problems faced by ports are under efficiency, overstuffing and labor. By overcoming these problems the shipping trade can be in full fledge.

Kannan (2008)\(^{35}\) in his article he emphasized the importance of Customs House Agent. The moderators of the focus groups were selected by using judgment sampling and the members by quota sampling and snowball sampling. On analysis, it was first found that Service Charge (SC) is the most important criterion in the selection process and Updated Knowledge (UK) is the least important criterion.

Prasad (2009)\(^{36}\) in his study the researcher has offered constructive suggestions to the company. They are 1) Information system should be implemented at a faster rate, in order to perform all the activities electronically. 2) There should be unity among the players as well as commitment to the traders. 3) The company should take all efforts to attract new customers as well as to sustain them. 4) The company should effectively plan

\(^{34}\)Sreedevi, P., “A Study on Logistical Services with Special Reference to Globe link India Ltd., Cochin”, 2008.


and implement the strategies in order to overcome the Trade barriers. 5) It is suggested that the services of the shipping agencies should be widened by expanding its operations.

Logannathan (2009)\textsuperscript{37} in his study, the researcher has suggested that the Customs stands to safeguard and promote the export trade and import trade. Therefore it should serve these business men by providing sufficient requirements such as easy documentation, increase of drawback rates and the reducing tax for import of machineries. Though after 2011, there will be high flow of goods from our country to another, the Custom formalities and cumbersome documentation will prove to be a hindrance and the basic requirements for the easy and comfortable business is to know the Custom regulations.

Deneesh (2009)\textsuperscript{38} the researcher stated that computerization of Customs procedures resulted in time and cost savings due to the reduced need to prepare, handle, store and deliver customs documentation. EDI is based on the principle of trust and contractual obligations. It provides the faster settlement of customs clearance. It should be possible to do away with requirements of paper documentations, i.e., there would be no necessity to submit invoice, packing list, B/L etc in paper. Records need only be kept at the office of importers/exporters/CHA for a minimum period, for verification by concerned authorities, if required. It is sure that EDI system has made a phenomenal progress in the arena of Indian Customs Clearance, but for further progress attitudinal change in the officers and the business people is required to adapt to EDI. EDI is a

reality, EDI cannot be introduced in a significant way unless we have complete overhaul of working system, methods and procedures.

Paul and Aserkar (2009)\textsuperscript{39} they stated that the intermediaries have global operations and because of their specialized infrastructure and superior contacts many organizations outsource a variety of services to these intermediaries.

Arviset et al., (2010)\textsuperscript{40} Specialists of World Bank evaluate the logistics industry in world countries by LPI, i.e. Logistic Performance Index. It analyzes the effectiveness of clearance process, the quality of trade and transport related infrastructure, the ease of arranging competitively priced shipments, also quality and competence of logistics services, ability to track and trace consignments, frequency with which shipments reach the consignee within the scheduled or expected delivery time. The evaluation of competitiveness of countries in a view of global economy is presented by GCI, i.e. Global Competitiveness Index. It analyzes basic requirements (institutions and its regulations, infrastructure, macroeconomic environment, health and primary education), efficiency enhances (higher education and training, the efficiency of goods, labor and finance markets, technical readiness and market size) and innovation and business sophistication factors.

\textsuperscript{39} Paul and Aserkar, Export Import Management, Oxford University Press, India, 2009, pp.141-165.
Shefali Tiwari and Shuchi Khandelwal (2010)\textsuperscript{41} the main objectives of their study are: 1) To know the difficulties of CHAs related to Indore region and 2) To know whether the problems have any relationship with the demographic variables like age, educational qualification and occupation of the agent.

Based on the following null hypothesis, the present study has been conducted:

\textbf{H}_{01}: There is no significant impact of age towards the difficulties faced by the shipping agents.

\textbf{H}_{02}: There is no significant variation between shipping agents and employed agents towards the perception to problems faced while shipping.

\textbf{H}_{03}: There is no significant variation or impact of qualification on the perception towards problems faced by the shipping agents.

Sanjeet Kaur and Bhagat Singh (2011)\textsuperscript{42} in this article, the various factors were considered and analysed for addressing the problems faced by respondents. Various tools were used to analyse the data and various interpretations are given, the present study reveals as under:

1. Although all the factors considered under study are relevant and important but still certain factors under study were found more effecting in making impact on their problems in export transit like long waiting for clearances from Customs, many time congestion on port, Many documents for export clearance delay in work, Preference


given to regular/ big exporters, Non-professional attitude of Govt. Officers, poor connectivity and infrastructure problems.

2. As far as demographic variables are concerned no significant impact was found during study of the perception towards their problems as every respondent agree with common problems becoming hurdles in their way of export transit. There is no relation with any age; they are into shipping lines, they face common problems as our system has flaws which with age and experience do not change. Even respondents who are in service or having their own business duly agree on common problems. Also their educational qualification was considered; majority of respondents are graduate but even with the qualification they possess, they have the same problems which are becoming root cause of dissatisfaction in their working conditions. Though people believe that with age, qualification and occupation the problems become easy, the study interprets that these problems are hampering development of Ludhiana city which really needs emphasis and improvement.

3. For maintaining a better system government role is important, as mostly problems which our prospective exporters face are due to lack of diligence and sincerity of government officials. If government support increases towards the prospective regions like Ludhiana which is a developing city, we can expect more exports coming forward towards this region.

4. There is an urgent need to modify the system by paying more attention towards infrastructure of Ludhiana region which is leading to poor connectivity and more lead time which do not allow our exporters to clear their contracts and consignment on time
Lei Wang (2011)\(^{43}\) in his article he pointed out that today's international market competition is in full range competition. Enterprise has profoundly realized individual efforts are less preferable for the increasingly fierce competition in the market. Enterprises need to use their core strengths to seek and attract multilateral cooperation with other enterprises in order to realize win-win. The bold use of the partners' advantageous resource to seek their own economic interests represents that supply chain management is going through a transformation from traditional transaction management to the relationship management. (Mengyan Zhang, Aimin Shi; 2008) With the development of logistics economy, logistics demand will become more inclined to the direction of "one-stop" and "globalization". This ever-increasing customer requirements make any logistics enterprises find it difficult to adapt to it, of course, the port is no exception.

Therefore, the port should get out of the isolated development and choose the collaborative development mode. The ultimate goal of collaboration is still to meet customer service requirements, improve service quality to win customer satisfaction.

Kirubakaran J Paul Sundar (2012)\(^{44}\) in this article it is stated that the flow of goods from the manufacturer to the end users goes through various stages with the help of effective logistic operations. The study is aimed to analyze the following objectives empirically. To limelight the overview of the Custom House Agents (CHA’s), to analyze the contributions of Custom House Agents in the marine trade, to analyze the opinion

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perceived by the Custom House Agents and to suggest ways and means for effective Sea transportation to enrich India’s Maritime Trade.

Rupin S Parikh (2012)\textsuperscript{45} in this article, the researcher has stated that custom house agents are very important person whenever you are importing or exporting any goods. By definition he is a person who has acquired a license to act as an agent for transaction of any business related to departure or entry of transportations or the exporting or importing goods at any custom station. Generally the business that imports or exports goods don’t have knowledge about the rules and regulations of the government neither do they have any time to look into these matters. Hence they appoint an agent to act on their behalf. However all the duties performed by the CHA are administered by a government body known as Custom House Agent Licensing Regulations.

Vaidyanathan (2008)\textsuperscript{46} as regards the logistics service providers, quality infrastructure support is not always available on time, due to the high pace of economic development. This includes airport infrastructure, seaports, highways and express ways. Cumbersome procedures lead to a lack of focus on the part of policy makers. The logistic costs in the Indian economy is higher than in other countries, due to infrastructure bottlenecks. The price of fuel forces the users to shift from road transport to alternative transport modes. Only a very small and limited number of logistics service providers are providing end-to-end logistics chain in a true sense. A large number of fragmented service providers aspire to cover all services However, an integrated approach is lacking.


\textsuperscript{46}Vaidyanathan, G., Deputy Manager (PP & D), JNPT,” Current Status of Logistics in India”, 2008, p.54.
2.3 Summary

Thus, Review of Literature is a critical analysis of a segment of a published body of knowledge through summary, classification and comparison of prior research studies, review of literature and theoretical articles. The aim of literature review is to show that “the writer has studied existing work in the field with insight”. A good literature review presents a clear case and context for the thesis that makes up the rest of the thesis. So, a good literature review raises questions and identifies areas to be explored. The study envelops the performances and problems faced by the CHAs in various angles. The role of CHAs in export and import business is a complicated one. The core industries of CHAs are inventory handling, transportation network, warehousing systems, material handling, Information technology etc.,

As far as India is concerned, there are only two ways of doing International Business. One, it can be done through waterways (maritime trade) and secondly, it can be done through Air (Air Cargo). The study aims at identifying the performances, looking into the problems and thrashes out prospects of Maritime trade alone. From the earlier discussions, the researcher keenly observes some research gaps & bottlenecks. There are some major issues in international business in terms of delayed time, intermediary cost, transit problem and documentation. In this study various problems faced by the CHAs in India are focused.

The numbers of ships employed in Indian ports are on its raise. The volume of Indian exports and imports are escalating day by day. The number of 3PLs is emerging because of the above reasons. So, globally there is a massive competition growing among the 3PLs. As the global economy is freed, there is a growth of international firms seen in
India in the recent years which causes heavy damages to the existing Indian 3PLs. There is no resisting parameter for their entry. There is only one way for the domestic 3PLs, “struggle and succeed”.