A STUDY ON THE OPERATIONS OF CONTAINER FREIGHT STATION (CFS) RELATED TO SOUTH INDIA

PROJECT REPORT

Submitted for the award of the degree

,

Master of Business Administration
(International Transportation and Logistics Management)

SUBMITTED BY

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DECLARATION

I, A Varshan (2205305001) student of School of Maritime Management, Indian Maritime University, Kochi Campus hereby declare that this project report titled "A STUDY ON THE OPERATIONS OF CONTAINER FREIGHT STATION (CFS)RELATED TO SOUTH INDIA" Submitted in partial fulfillment of requirements for the award ofdegree of Master of Business Administration in International Transportation and Logistics Managementis a bonafide work Carried out by me under the guidance of Dr. Jayan P.A.This report bears noresemblance to any other report undertaken or submitted elsewhere in connection with any otheracademic course.

DATE: A Varshan
PLACE:KOCHI

CERTIFICATE

This is to certify that there port titled ““A STUDY ON THE OPERATIONS OFCONTAINER FREIGHT STATION (CFS)RELATED TO SOUTH INDIA” submitted to the School of Maritime Management, Indian Maritime University, Kochi Campus, By A Varshan (2205305001) in partial fulfillment of the requirements for the award of degree of Master of Business Administration in International transportation and Logistics Management is a bonafiderecord of work done under my guidance.

Dr. JAYAN P.A.

(PROJECT GUIDE)

DATE:
PLACE: Kochi

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First and foremost, I thank the God almighty, who has granted countless blessings, knowledge andopportunity to undertake this project to its fullest.

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GLOSSARY

CFS (Container Freight Station): A container freight station is a distribution facility where import andexport shipments are consolidated and de-consolidated.

LCL (Less than Container Load): Refers to small ocean freight shipment wherein the shipper does notcontract for a full container since the quantity of shipment is not adequate to contract for a full container.

FCL (Full Container Load): Refers to a full container load, where the shipment or cargo requires the full space of the container. In this case, the complete cargo of the container is owned by the shipper, and thecontainer space is not shared by any other cargo.

CHA (Customs House Agent): Means any individual/entity licensed under the regulations prescribed by Government of India to act as an agent for the transaction of any business relating to the entry or departureof conveyances or the import or export of goods at any customs station.

ICD (Inland Container Depot): An Inland Container Depot is essentially a physical premise close to theports. It could also be located in the hinterland. Customers are allowed to store containers, cargo, empty or full, on a temporary basis until they are ready for transportation.

IMC (Inter-Ministerial Committee): Act as a single window for clearance of proposals to set up InlandContainer Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs).

IGM (Import General Manifest): the Import General Manifest that every shipping line or its agent needsto file with the customs 24 hours before its ship enters Indian waters and has cargo to be discharged at the port of call.

DPD (Direct Port Delivery): Which began last year with the Nhava Sheva port on the outskirts of Mumbai, entails the delivery of a shipment from the port to the consignee instead of initially holding it at acontainer freight station (CFS).

BOE (Bill of Entry): A bill of entry is a legal document that is filed by importers or customs clearance agents on or before the arrival of imported goods. It's submitted to the Customs department as a part of thecustoms clearance procedure.

TAMP (Tariff Authority for Major Ports): is a multi-member statutory body with a mandate to fix tariffslevied by major port trusts under the control of Union Government and private terminals therein. It is mandated not only to fix the rates but also the conditionality's governing application of the rates.

EXECUTIVE SUMMARY

Title of Dissertation: "A STUDY ON THE OPERATIONS OFCONTAINER FREIGHT STATION (CFS)RELATED TO SOUTH INDIA

Degree: Master of Business Administration (International Transportation and Logistics Management)

Trade involves the exchange of goods and services for money, countries trade with each other for raw materials and merchandise. Trade facilitates the growth and economic welfare of nations. Due to the influence of various factors such as globalization, liberalization, containerization and developments in the transportation, it has contributed to the rise of global trade. Containerization played a major role in the trade and facilitated the transportation of the goods worldwide effectively. The growth of container trade volume has led to the congestions of the sea ports as the maritime transportation is considered as the backbone of the international trade. The container freight station is considered as an extended arm of the port, which has been established with the objective of decongesting the port. They ensured the smooth movement of EXIM trade. It serves as a transshipment point of export and import cargo and can also be considered a warehouse where goods are stored before import and export. It's a customs notified area situated near the port or terminals.

This report focuses on creating overall understanding about the CFS and depicts about the functions, services, importance, operations and the challenges faced by the CFS. A comparative analysis has been made through the report on the public and private CFS in Kochi based on parameters such as the tariff rates, services, warehouse capacity and free periods offered. The report also indicates certain findings and suggestions regarding the CFS based on the comparisons. The study was mainly conducted based on the secondary data due to the Covid -19 pandemic situations.

With the development of containerization and the growth of container trade around the world and India, has facilitated the growth of the CFS and has emerged as a dominant aspect in the EXIM value chain. The CFS is adapting to the present technological environment by incorporating innovative technologies into its operations and services. They can now provide better solutions for the transfer of EXIM items to their customers.

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INTRODUCTION

INTRODUCTION

A Container Freight Station (CFS) is a facility that plays a crucial role in both the departure and arrival stages ofinternational trade. It serves as a storage space for goods before they are loaded onto a vessel for export
and after they are unloaded upon arrival. In the case of Less than Container Load (LCL) shipments, where multiple customers' goods are combined into a single container, these items are first consolidated at a CFS before being dispatched to their final destinations.

CFS operations are typically overseen by shipping lines or terminal operators, and these facilities arestrategically located in proximity to ports or shipping terminals. They are also responsible for managingcustoms clearance processes and handling the necessary documentation for the cargo. CFSs are designated as customs-controlled areas, where all transactions undergo authentication by customs authorities. Theintermediary between CFSs and the various parties involved in the shipping process is the Customs HouseAgent (CHA).

CFS facilitates intermodal transport and optimizes the process of sending smaller shipments to their respective locations with appropriate safety measures and tracking facilities. Here are a few reasons whyCFS service is an essential part of import logistics & export logistics:

Goods are consolidated into the several different types of containers and each vessel is provided with aunique identification number, helping the trader track the container and the product.
The goods sent via CHS being containerized reduce the risk of damage, facilitating a smooth transactionbetween the exporter and importer.

A proper list is maintained - including the name of the importer/exporter, CHA agent name/house, product,onboarding/unloading port, product name, truck number, shipping line, quantity, size, etc.
Customs clearance procedure is not required at the gateway ports.
Since CHS serves as a concentration point that consolidates smaller shipments, it helps in reducing emptycontainer movement, thus making LCL shipments cost-effective.
Automation for loading and unloading containers at the dock port.

Significance and relevance of the study

Significance and Relevance	Description
Improved Efficiency	CFSs play a crucial role in streamlining the international trade process by consolidating LCL shipments, reducing handling times, and expediting customs clearance. A project that focuses on improving efficiency in CFS operations can lead to faster delivery times and reduced costs for businesses.
Reduced Damage	Containerization protects goods from damage during transport, but there's always room for improvement. A project that focuses on implementing measures to minimize damage in CFS operations can ensure product qualityand customer satisfaction.
Enhanced Visibility	Real-time tracking of shipments throughout the CFS process is essential fortransparency and peace of mind. A project that develops a tracking system that provides updates on the location and status of shipments can empower stakeholders with valuable insights.
Cost Optimization	Empty container movements add unnecessary expense to LCL shipments. A project that optimizes container utilization in CFS operations can reduce costsfor businesses and contribute to environmental sustainability.
Streamlined Documentation	Manual documentation processes can be time-consuming and error-prone. A project that focuses on digitizing documentation and integrating it with relevant platforms can achieve a reduction in processing time and improve accuracy in CFS operations.
Automation for Efficiency	Automating repetitive tasks like container loading and unloading in CFS operations can significantly improve efficiency and reduce human error.

RESEARCH PROBLEM

Identify bottlenecks in consolidation, customs clearance, or loading/unloading processes and explore automation or workflow improvements to address these issues.

1. Evaluate the Efficiency and Productivity of CFS Operations:

- Examine Damage and Loss Prevention:
  Analyze the primary causes of goods damage in CFS storage and handling, and enhance existing security measures to reduce theft and loss.

- Assess Sustainability and Environmental Impact:
  Optimize container utilization to minimize empty container movements and develop strategies to reduce waste and energy consumption in CFS operations.

- Enhance Data and Visibility:
  Address challenges in tracking and tracing shipments within the CFS by implementing real-time data collection and analysis to improve visibility and decision-making.

- Ensure Regulatory Compliance and Security:
  Identify areas where CFS operations need improvement to comply with evolving regulations and security standards.

- Improve Customer Satisfaction and Service Delivery:
  Tailor CFS services to meet the specific needs of different customer segments, such as small businesses or e-commerce companies.

2. Identify Knowledge Gaps:

- Conduct a thorough literature review to pinpoint areas lacking or outdated in research related to CFSoperations.

- Engage with industry experts and stakeholders to understand current challenges and unmet needs in CFS operations.
- Analyze publicly available data to identify trends and patterns that suggest opportunities for further research.

3. Formulate Research Problems:

Create a data-driven model to predict and optimize container consolidation in CFS operations. Devise a secure and tamper-proof tracking system for shipments moving through CFS facilities.
Investigate the impact of automation on job displacement in CFS operations and propose strategies to mitigatepotential challenges.

Evaluate the effectiveness of various security measures in reducing theft and loss within CFS facilities.Examine the environmental impact of CFS operations and develop sustainable practices and strategies.

REVIEW OF LITERATURE:

1) The impact of distance in seaborne trade: An analysis of bilateral container transport flows"- Biermann,2012Understanding the influence of distance in seaborne trade is crucial for optimizing container movements and
storage at CFS facilities, especially for import/export activities.

2) "The trade reducing effects of restriction on liner shipping" Bertho , F.,I. Borchert, and A. Matoo, 2016Restrictions on liner shipping can affect the flow of goods to and from CFS, influencing overall logistics efficiency and potentially impacting storage and handling capacities.

3) "Measuring connectivity in the air freight industry" – Boonekmph, T., AND G. Burghoutwt, 2017 While this study focuses on air freight, connectivity measures may have parallels in maritime logistics, including CFS operations where efficient connections are vital for seamless cargo movements.

Journals

Donna L. Bade, 2015, Export Import Procedures and Documentation (5th edition) g3group.
(2021, August 11).

Types of shipping containers and their uses. Overflo.

https://www.overflo.com/blog/shipping-containers-their-

uses/

Objectives & Scopes

Objectives:

- Increase efficiency: Reduce processing time, handling costs, and improve turnaround times.
- Reduce damage: Implement measures to minimize damage to goods during storage and handling.
- Enhance visibility: Develop a tracking system for real-time shipment monitoring.
- Optimize costs: Reduce empty container movements and improve container utilization.
- Streamline documentation: Digitize documentation and integrate with relevant platforms.
- Boost security: Implement measures to prevent theft and unauthorized access.
- Improve customer satisfaction: Provide timely and accurate information and responsive services.
- Reduce LCL processing time by improved consolidation techniques.
- Decrease customs clearance processing time by digitalization.
- Implement a real-time tracking system that provides updates every minutes.
- Reduce empty container movements by collaboration with shipping lines.
- Digitize and integrate customs documents with the relevant authority portal.

Scopes:

- Focus on specific areas of the CFS operation (e.g., consolidation, storage, handling, documentation).
- Consider the type of cargo handled (e.g., dry goods, refrigerated goods, hazardous materials).
- Include technological interventions (e.g., automation, data analytics).
- Define the geographical scope (e.g., specific CFS facility, regional network).
- Implement automation in C specific tasks within the CFS.
- Develop a tracking system for D types of cargo containers.
- Conduct a cost-benefit analysis for implementing E technology solution.
- Evaluate the sustainability impact of F specific practices within the CFS.
- Align objectives with the project's overall goals and stakeholder interests.
- Ensure objectives are SMART (Specific, Measurable, Achievable, Relevant, and Time-bound).
- Clearly define the boundaries of the project to avoid scope creep.
- Break down large objectives into smaller, more manageable tasks.
- Consider potential risks and challenges and develop mitigation strategies.

Intermodal transportation: Understanding how CFS operations integrate with other modes of transport like ships, trucks, and railways.

Supply chain management: Exploring the role of CFSs within the broader supply chain network and how they contribute to efficient goods movement.

Emerging trends and technologies: Keeping up-to-date with the latest advancements in automation, digitalization, and data analytics that are transforming CFS operations

Research questions:

1. What are the key functions and operations performed by a container freight station(CFS)?
2. How does container freight station contribute to the efficiency of global supply chains?
3. What are the main challenges faced by container freight station in managing and handling diverse cargo types?
4. How do container freight station ensure the security and safety of the goods stored and processed within their facilities?
5. What technologies and automation tools are commonly used in container freight station to enhance operational efficiency?
6. How do container freight station handle customs clearance and compliance procedures for imported and exported goods?
7. What role does communication and collaboration play in the seamless functioning of container freight station with shipping lines, customs, and other stakeholders?
8. How do container freight stations manage and optimize their storage and handling capacities to accommodate varying demand and cargo volumes?
9. What are the environmental sustainability practices adopted by container freight station in their operations, such as energy efficient processes or waste reduction measures?
10. How do container freight station adapt to change in international trade policies and regulations, and what impact do these changes have on their operations?

Chapter -2

CONTAINER FREIGHT STATION

CONTAINER FREIGHT STATION

According to Ministry of Commerce and Industry (MoCI) guidelines, Container Freight Station(CFS) may bedefined as a common user facility with public authority status equipped with fixed installations and offeringservices for handling and temporary storage of import/export laden and empty containers carried under Customscontrol and with Customs and other agenciescompetent to clear goods for home use ,warehousing
,temporary admissions, re- export ,temporary storage for onward transit and out right export.

A container freight station defined as a facility where the consolidation and de-consolidation of goods takes place before they are imported or exported. The CFS is customs notified area where all the dealings are handled through customs authentications, such as the customs clearance procedure and documentation for the shipment of the goods. A CFS cannot have an independent existence and has to be linked to a customs station within the jurisdiction of the commissioner of customs. In a CFS, only a part of the customs processes is carried out by the customs, mainly the examination of the goods. All other operations such as the stuffing/de-stuffing of containers and aggregation segregation of cargo are done by the CFS itself. A custodian will be appointed by the customs inthe CFS, who is liable to follow the instructions as per the customs guidelines. The CFS is situated near to the port, terminals, railway hub etc. and can be linked to a port through various modes such as the rail, road, and inland waterways. It serves as a transshipment point of export and import cargo and can also be considered a warehouse where goods are stored before import and export.

Container freight stations (CFS) can be owned by both public and private entities. To enhance customs facilitation for exporters and importers, the government has permitted private sector involvement in this sector, aiming to foster the development of more CFS facilities nationwide. These stations can be operated by shipping lines, terminals, ports, or through joint ventures and statutory corporations. Public CFS are owned by either central or state governments. Below are the lists of active public and private CFS in Kochi.

TABLE 2.1 LISTS OF PUBLIC AND PRIVATE CFS IN KOCHI

PUBLIC CFS	PRIVATE CFS
Cochin Port CFS	MIV Logistics Private Ltd.
Kerala State Warehousing Corporation CFS	Asian Terminal
Cochin International Container Freight Station	
CONCOR CFS	
Gateway Distriparks LTD	

FUNCTIONS OF CFS

Following are the main functions of a container freight station:

- Stuffing and stripping of containers for Export and Import
- Consolidation and deconsolidation of cargo for shipment (LCL)
- Customs clearance of the export and import shipments
- Receipt and dispatch of cargo
- Transit operation by rail or road to and from ports
- Temporary storage of the cargo as well as the containers
- Maintenance and repairs of the containers.

BENEFITS OF CFS

The CFS plays a vital role in the import-export logistics and it facilitates the movement of containerized trade. Following are some of the benefits associated with the CFS.

- One of the major benefits of CFS is that it helps in decongesting the ports and ensures the smooth movement of the goods.
- CFS helps in establishing a centralized location for the exporters and importers to send and receive their shipments
- They consolidate the LCL shipments into a larger container
- Through CFS customs clearance facility available near the centres of production and consumption.
- The CFS Service as a transit facility.
- They reduced the level of demurrage and pilferage, also offer greater cargo security, efficient and timely loading, unloading, stuffing, and de-stuffing.

PROCEDURE FOR APPROVAL OF CFS

Following are the procedures to be followed for the establishments of a CFS as per the central board of indirect taxes and customs.

- For the establishment of a CFS, at first the proposals need to be considered and approved by the Inter-Ministerial Committee (IMC), consisting of officials from the Ministries of Commerce, Finance (Dept. of Revenue), Railways and Shipping. If required, the view of the state government is also considered.
- Application in a prescribed form has to be submitted to the infrastructure division, department of commerce, along with the copies of the feasibility report.

- The applicant needs to send a copy of the application to the jurisdictional Commissioner of Customs.

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- The jurisdictional Commissioner of Customs will send his comments to the Department of commerce and board within 30 days. The applicants are expected to be familiar with the statutory Customs requirements in relation to Bonding, Transit Bond, Security Insurance and other necessary procedural requirements and cost recovery charges payable before filing the application.

- On receiving the proposal, the department of commerce obtains the comments from CBEC and other concerned agencies within a period of 30 days. The IMC normally takes six weeks to take a decision.

- Letter of Intent is issued to the applicant on the acceptance of the proposal. The letter of intent will enable the applicant to initiate steps to create infrastructure.

- The infrastructure needs to be set up within a period of one year, an extension of 6 months can be granted by the department of commerce. Thereafter, IMC may consider a final extension for a further period of 6 months or withdraw the approval granted.

- The applicant needs to send the quarterly/annual progress report to the Ministry of

Commerce in the prescribed format through electronic mode and hard copy.

- After the establishment of the required infrastructure as per the security standards of the jurisdictional Commissioner of Customs and provided a bond backed by bank guarantee to the Customs, final clearance and Customs notification will be issued. The approval is subjected to cancellation in the event of any abuse or violation of the conditions of approval.

IMPORTANT CENTERS OF ACTIVITIES

1. Container Yard

   The container yard is a dedicated storage area for containers before they are loaded or unloaded from a ship in a terminal or dry port. It is a stacking area where the export containers are aggregated prior to dispatch to port, import containers are stored till Customs clearance and where empty containers await onward movement. Certain stacking areas are also earmarked for keeping special containers such as refrigerated, hazardous, overweight etc.

2. Warehouses

   Public and private warehouses are appointed and licensed under the section 57 and 58 of the customs act in 1962. It includes the space where the export and import cargo are received, stored and delivered, containers are stuffed and stripped, cargo are consolidated and the physical examination of the cargo is taken. Export and import consignments are generally handled either at separate areas in a warehouse or in different nominated warehouses/sheds.

3. Rail siding

   The rail siding is the area in a terminal where the container trains are received, dispatched and handled. The containers are loaded and unloaded from the wagon using cranes and equipment at the siding.

4. Gate complex

The CFS gate plays an important role in the operations of CFS. They regulate the entry and exits of road vehicles carrying cargo and containers through the terminal. It is the place where documentation, security and container inspection procedures are undertaken

MAJOR PARTIES ASSOCIATED WITH CFS

1. Exporters

An exporter is a person, firm or country which sells and sends goods to another country. The exporters may or may not be the actual seller of the goods; they could be organization acting on their behalf.

1. Importers

Importers are a person, firm or country that buys goods from another country for the use in their own country.

2. Customs House Agent

A customs house agent or a customs broker is a licensed person who helps the exporters and importers with their shipments at the customs stations. They act as an intermediary between the importers/ exporters and the customs. As per the customs regulations, section 146 of the customs act 1962, "Customs House Agent" means a person licensed under these regulations to act as an agent for the transaction of any business relating to the departure of conveyances or the import or export of goods at any Customs Station. The CHA for exporters and importers is a legal adviser, they will suggest the correct classification of the good and help to get the goods clear out from the customs. They will help to resolve the query raised by the customs officer on the bill of entry.

3. Freight forwarders

A Freight forwarder is the agent or firm acting on behalf of an importer/exporter or other companies to organize the safe, efficient and cost-effective transportation of goods. They contract with a carrier or often multiple carriers to move the goods and offer a wide range of services such as tracking inland transportation, preparation of shipping and export documents, warehousing, booking cargo space, negotiating freight charges, freight consolidation, cargo insurance, and filing of insurance claims.

INLAND CONTAINER DEPOT

The ICD are the container handling and storage facility which are situated at the inland points away from sea ports. These facilities are established to help the exporters and importers in handling their shipments close to theirlocation. It involves a combination of services of the sea custodian, customs department, carriers, freight forwarders, customs brokers etc, They offer export and import customs clearances. They also provide temporarycontainer storage facility to the containers before they are moved to the port. Once the cargo is cleared at the ICD, it does not have to go through customs at the port and is cleared to export. An ICD connects the ports with the hinterlands

2.7.1 DIFFERENCE BETWEEN CFS AND ICD

TABLE 2.2 DIFFERENCES BETWEEN CFS AND ICD

CONTAINER FREIGHT STATION	INLAND CONTAINER DEPOT
CFS are situated near to a port	ICD is situated far away from a port, they connect the ports with the hinterlands.
It's a place where the containers are stuffed, de-stuffed and aggregation/segregation Of cargo takes place.	It's a place where containers are aggregated for onward movement to or from the ports
CFS is considered as an extension of ports/ICD	ICD may have a CFS attached to it
It cannot have an independent existence, it has to be linked to a customs station within thejurisdiction of the commissioner of customs	It has an independent existence as it is a 'self-contained customs station'

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SERVICES AND FACILITIES OFFERED BY CFS:

- Stuffing and De-Stuffing

Stuffing refers to the process of loading goods into containers for export and De-stuffing refers to the process of unloading of goods from the containers. In stuffing the goods will be moved into the CFS and will be unloaded at the warehouses. . The stuffing of goods can be of CFS stuffing ,direct stuffing and factory stuffing.

In CFS stuffing, after unloading the goods at the CFS for stuffing, the CHA files the documents with the customs for completing the customs procedure of the goods and for obtaining the Let Export Order. The CHA delivers the required documents to the carriers and the carrier files the documents with the CFS for loading the containers. Whereas in direct stuffing the truck loaded with the goods is entered to the CFS. The goods can be inspected by the customs official and after completing the customs and CFS procedures, they can be directly loaded into the containers. Factory stuffing is defined as the stuffing of the goods into the containers within the factory itself. The exporter after obtaining the permission can move the empty container into the factory and can stuff the goods into the containers under the supervision of the customs official. The stuffed container can be unloaded back to the CFS for its final shipment.

- Consolidation of Cargo

Consolidation of cargo involves combining several small shipments into a single container shipment. Consolidation of cargo helps in lowering the freight costs and transit time. There are two main modes of container shipment: full container load (FCL) and less than container loads (LCL).

1. Full Container Load

FCL shipments refer to those shipments where all the goods in a container are owned by one party. The complete goods in the container will be of one shipper. In FCL, whether the cargo is half-loaded or quarter-loaded in a container if it is booked by one shipper less than one shipment, then it is considered a FCL shipment. FCL has many benefits such as less handlingand damages, lower price per unit and it alsosaves transit time

2 Less than Container Load;

LCL shipments are used by shippers when the shipments are not large enough to fill a shipping container. Here the shipper does not have sufficient cargo to accommodate in one full container; therefore, he can book his cargo with a consolidator for consoling it with the goods of other shippers. Such shipments are called LCL shipments. Some of the benefits associated with LCL shipment include it's a cost-effective shipment as the payment had to be made for the volume or space the cargo takes, and these shipments help in maintaining the inventory low.

- Bonded warehouse

Bonded warehouses are those warehouse facilities which are authorized by Customs authorities for the storage of goods. Here the payment of duty is deferred until the goods are withdrawn from the warehouses. All the CFS has bonded warehouse services. When the goods are stored in the bonded warehouse, the warehouse authority will issue bonds, which will ensure that the importers don't face any financial and legal liability when the goods are released. Importers can store the restricted items in the bonded warehouses until their paperwork is completed. Bonded warehouse can be a public bonded warehouse and a private bonded warehouse. As per the section 58 of the customs act 1962, the Assistant/Deputy Commissioner of Customs can license Private Bonded Warehouses where goods imported by or on behalf of the licence, or other imported goods where facility for the Public Warehouse is not available, may be deposited. The goods deposited in the warehouse can be stored up to a period of one year in the bonded warehouses, In case of capital goods which are meant to be used in 100% EOU; they can have a storage period of 5 years. The period can be extended by the Commissioner of Customs for 6 months.

- Customs Examination

Customs examination is considered as one of the primary services of the CFS. The imported or exported goods can only be moved through the CFS after the completion of the customs examination. The examination includes the assessment and valuation of the cargo, checking the container seal, sealing of export containers etc. Preventive officers will be appointed by the customs for undertaking the examination.

- Transshipment of cargo

  Transshipment of cargo involves the movement of cargo from one port to another while in transit to its final destination. According to the customs act 1962, once the imported goods have been landed in ports they are subjected to duty payment. To avoid payment of duty at the port of landing in cases where goods are to be carried to another port or port abroad, the Customs Act provides a facility of transshipment of cargo without payment of duty. The goods can be transshipped from one port to another port/CFS either by vessel, air, rail or road or by combination of more than one such mode of transport. In Kochi the transshipment of cargo services are offered by the Cochin port CFS. The transshipment of cargo is only applicable to imports. The imported cargos unloaded at the ports are allowed to be transshipped to another CFS, if the cargo is mentioned for transshipment.

- Weighbridge

  Weighbridges are a specially designed machine for weighing an entire rail or road vehicles and their contents. The vehicles are weighed in both empty and loaded, for determining the load that can be carried by the vehicles. There are different types of weighbridge used for weighing the vehicles, and these include pit type weighbridge, electronic weighbridge, surface weighbridge etc. weighbridge facilities are offered by the CFS for ascertaining the loaded weight of the containers. As the container weight ment details are required while loading the containers into the ship for ensuring the stability of the ship and safe carriage.

- Warehouses and storage

  A warehouse is a large commercial facility in which the goods are received, stored, inspected, packed and transported. The warehouse plays an important role in the freight movement. The CFS in addition to the bonded warehouse offers warehouse facilities to the exporters and importers for the storage of their goods.

- Reefer points

  A refrigerated container or reefer containers are used for the transportation of temperature sensitive cargo or perishable cargo such as meats, fruits and vegetables. relies on the external power to keep the temperature regulated. The CFS offers reefer plug points within the CFS for the supply of power for maintaining and controlling the temperature of the reefer containers. The CFS will be charging a fee for the supply of the reefer points.

- Personal Baggage Clearance

  Another services offered by the CFS includes the facility to handle un accompanied personal baggage received in containers. The unaccompanied baggage is required to have been in the possession abroad of the passenger and dispatched within 1 month of his/her arrival in India or within such further period as the Deputy/Assistant Commissioner of Customs may allow. The customers after submitting the necessary documents by themselves or through a CHA can take out the baggage after customs clearance. The Cochin port CFS has a monopoly over these services. The importers have to submit the copy of the bill of lading along with the cargo charges and delivery order to the port. The port shall issue an appraisalticket for customs examination, after the customs clearance the importer shall submit Customs out of charge stamped in Baggage Declaration for taking delivery of goods. The storage charges levied by the port CFS includes.

- Other facilities and services include

  Certain other services and facilities offered by the CFS for its customer include firefighting equipment, 24*7 CCTV surveillance, security guards, empty container depot, container maintenance & repair service (Reefer & Dry), connectivity, regulated entry of visitors etc.

EQUIPMENTS USED IN CFS

For facilitating the operations and smooth handling of the cargo, the CFS is equipped with different kinds of equipment for loading and unloading of the containers from the rail, truck chassis, etc., stuffing and de-stuffing of the container and for the handling and movement of cargo in the CFS.

- **Forklift**

A Forklift is an industrial vehicle with power-operated forked platform in the front used for lifting and moving the cargoes. They help in moving the cargo from a container to a warehouse and within the warehouses. Forklift can be of diesel, electrical, LPG etc. and their load capacities ranges from 1.0 to 16.0 tons.

- **Reach stacker**

The Reach stackers are the vehicles used for the handling of intermodal cargo container at shortdistances. These vehicles are equipped with a telescoping boom which helps for an extended horizontal reach. They have a capacity up to 99,000 lbs.

- **Hydraulics hand pallet truck**

The hydraulics hand pallet trucks are used for the loading, unloading and transfer of heavy loads. They are used for handling of pallets, rolls, sheets etc. Hydraulics handpallet truck is the suitable option in a narrow path for the short transportation of heavy goods. These hand trucks have a load capacity of 2000 kg.

For facilitating the safe and smooth handling of the cargo, pallets are used in the CFS. Pallets area portable flat platform in which goods are stacked and moved using forklifts, hydraulics hand truck etc. The pallets can be of different types such as wooden, plastic, metal and recycled materials.

MAJOR DOCUMENTS ASSOCIATED WITH CFS

The major documents involved in the export and import process associated with the CFS include the following.

- IGM

  Import general manifest is a mandatory document (as per Section 30 of the Customs Act, 1962) to be filed by the shipping line/carrier to the customs department of the importing country before the goods have been reached at the destination port. It contains information such as the details of cargo, shipper, consignee, description of goods, BOL date, BOL number, kinds of package, vessel details and number of package etc.

- Bill of entry

  Is a legal document submitted by the importer / CHA to the customs for undertaking the customs clearance formalities and to take the goods out of customs. It includes details such as the name and address of importers and exporters, import licence number, description of goods, value of goods, name of the port where the goods are to be cleared, rate and value of import duty. The BOE is prepared by the shipping line, which is then sent across to the customs witha copy to the CFS by the CHA. The BOE is filed by the exporter/ importer on or before the shipment of the goods.

- Delivery order (D.O)

  The delivery order is the order issued by the carrier to the consignee (or his order) after collecting necessary charges to take the delivery of the goods once it has arrived at the destination port.

- No objection certificate (NOC)

  The shipper has to prepare and send a NOC to the customs and the CFS while importing the goods to the country based on the foreign trade policy (FTP) on importation and exportation of various commodities

- Out of charge (OOC)

  Are the document issued by the customs after the customs verification is completed regarding the conditions, valuation and other particulars of declarations of the goods.

- Shipping bill

  It's the main document in the export process, which has to be filed by the exporters. The customs permission is given on the basis of the shipping bill. It includes the nature of goods exported, name of the vessel, master, flag, country of destination, details of the package, F.O.B price and real value, quality details of each case, importers and exporters address.

- Let export order (LEO)

  LEO is considered as the final export legal procedure to move goods out of India in export shipment. The LEO is issued by the customs after the accessing the value of the goods and inspection of the goods.

THE IMPORT PROCESS

The import process of a container through CFS begins with the filing of the IGM (import general manifest) by the shipping line/steamer agents in accordance with section 30 of the customs Act 1962. It will be indicated in the IGM to which CFS the containers should go and will be filed with the concerned CFS. Then the movement form is prepared for obtaining the container movement permission and form 13 will be submitted by the steamer agent/shipping line along with it. On paying the port and carrier charges, the container will be moved towards the gate where the seal verification will be undertaken by the customs at the port/ terminal, and the containers will be moved to the CFS. The necessary documents such as the delivery order, bill ofentry, and no objection certificate have to be submitted by the CHA to the CFS before the container reaches the CFS. On obtaining the gate entry pass, the container is moved into the CFS and the lift off processisundertaken. The seal cutting order is being generated, and the cargo is de-stuffed after obtainingthede-stuffing order. After the customs formalities of assessment, examination and payment of duty, the CHA submits the out of charges documents issued by the customs. The cargo is stuffed after obtaining the stuffing order and the gate out pass is issued by the CFS along with the consolidationbill charged by the CFS.

THE EXPORT PROCESS

In the export process the exporter/ shipper creates the Performa invoice and delivers it to the freight forwarders. The freight forwarder then prepares the invoice, packing list and handover it to the CHA. The CHA files the shipping bill to the customs, and the container/cargo is moved towards the CFS and the declaration form is submitted by the CHA. After that, the gate entry pass is generated and the container /cargo are moved in. De-stuffing order issued in case the cargo comes by truck. The work order is generated and after the customs formalities of assessment and examination, the seal is issued by the customs for sealing the containers. The customs issues the LEO and a copy of it is submitted by the CHA to the CFS. Finally after generating the shipping bill, the gate out pass is issued.

CHALLENGES ASSOCIATED WITH CFS

Some of the challenges faced by the container freight station that affects the traders and the CFS operators include the following.

- Challenges associated with the charges levied by the CFS

  According to the customs, it's mandatory for the CFS to display their tariff scale online. Even though all the CFS follows these guidelines, but some undeclared tariffs are also included in the invoice which increase the transportation costs and creates misunderstanding among the customers.

- Delay in the movement of containers from port to CFS

  The containers unloaded at the port face many delays, which affects the speedy movement of the containers to the CFS. The delays may be caused due to regulatory issues such as the delaysin customs clearance and operational issues such as the delay in picking up of the containers by tractor trailers.

- Uncertainty in selection of CFS

  One of the challenges associated with the CFS includes the uncertainty in the selection of CFS. An importer/CHA does not choose the CFS. The CFS is selected by the choice of the shipping lines/freight forwarders.

- Paper based documents/orders

  Even though there are options for filing the documents online. But some of the CFS is still filling in the paper-based documents manually, which increases the transaction costs and creates delay.

- Introduction of new systems and schemes

  Another challenge faced by the CFS includes the introduction of new schemes and policy by the government such as the DPD (direct port delivery), which helps certain importers to clear their cargo directly from the port itself. These schemes were introduced for facilitating the trade, reducing the time and cost etc. The DPD model is considered an alternative for the CFS and has affected its operations.

- High costs

  High costs associated with the establishment of CFS are another challenge faced by this sector.A large amount of initial investments are required for the setting up of the infrastructure and facilities itself. Transshipment bond, bank guarantee, yard, warehouse and equipment's maintenance costs are the other factors that need to be considered associated with the costs.

CHAPTER-3

COMPARATIVE ANALYSIS

COMPARATIVE ANALYSIS ON PUBLIC AND PRIVATE CFSs

Container freight stations are the warehouse station which is responsible for the clearance of import and export goods after customs examination. The major operation associated with these stations includes the consolidation of cargo, customs examination, stuffing and de-stuffing of the container and storage of goods/containers. A comparison analysis has been made on the active public and private CFSs in Kochi based on various parameters, which include their tariff rates, services, warehouse capacity and the free periods offered by them. Due to the covid-19 pandemic restriction prevailing, the analysis is made based on a telephone survey and through the secondary data available on the websites of the different CFSs.

CFSs TARIFF RATES

The CFSs imposes a fee for each activity or services they perform. Once the goods have been arrived at the CFS, the charges are levied for its handling, storage, security etc. These charges have to be paid by the importers, exporters or the other users of the CFS. The tariff for each type of work varies depending on the nature of job involved in each job. The tariff charges of each CFS could be varied from one another in the same area. In case of public CFS such as the Cochin port CFS, under the Ministry of Ports Shipping and Waterways. The tariff rates are fixed as per the traffic authority for major ports (TAMP), whereas in other CFSs the rates will be determined by the organization itself and will be market driven. The usual charges imposed by the CFS include the container stuffing- de-stuffing, cargo storage, container scanning, lift on/lift off, container weight ment charges, refer container charges etc. The table 3.1 states the stuffing and de-stuffing charges levied by the public and private CFS in Kochi. A graphical representation of the same has been made on the Figure 3.1

CFS	**WAREHOUSECAPACITYIN (Sq.m)**
Cochin Port CFS	10000
Gateway Distriparks LTD	1250
MIV CFS	4850
Kerala State Warehousing Corporation CFS	3810
Cochin International Container Freight Station	7432

CHAPTER-4

CFS COMPANIES AND PROBLEMS IN INDIA

MIV LOGISTICS PVT LTD is one of the largest CFS in Kerala. It is strategically located at distance of only half km from the ICTT Terminal, Cochin. This company is equipped with state of the art infrastructure and technologically advanced systems backed by best –in – market standards in safety and security of peoples, cargo and containers .This set of facility is well equipped to handle cargo and containers including hazardous cargo and over dimensional cargo as per the International Maritime Dangerous Goods Standards.

- ♣ Operating agency : MIV Logistics Pvt Ltd, Vallarpadam, Kochi
- ♣ Implemented by : A joint venture of MFAR, INLEL, VKL Enterprises
- ♣ Established : October 2014
- ♣ Nearest port : ICTT Terminal Cochin port
- ♣ Land area : 18.76 Acres
- ♣ Warehouse Area : 4850 Sq. Mt
- ♣ CFS Code : INCOK1MLP1
- ♣ Annual capacity : 3,60,000 TEUS

♣ Bond Number : 2000589811 The variety of services offered by MIV Logistics includes Import shipments, export shipments, warehouse, bonded warehouse, reefer monitoring , scrap handling, costal cargo handling , long standing container/ auction, hazardous cargo handling, specialized cargo handling , well quality modern equipment…etc

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STUFFING AND DE-STUFFING:

Stuffing means loading of goods into the containers for export, whereas De-stuffing mean unloading of goods from the imported container to the CFS. In the warehouse, during the process of stuffing or destuffing of goods, they might use various equipment's for easy movement. For example if a machinery is imported, the destuffing will be only possible with the help of a crane or forklifts. It depends on the cargo.

REEFER MONITORING:

Warehouse is also provided with the infrastructure to handle and monitor reefer containers. They provide careful and effective handling of the precious cargo which is entered in the CFS for either import or export.

Helps in maintaining temperature control for their shipment and storage, or any other precautions while handling diverse cargo types.

- Sufficient Reefer plugs points (50 points).
- Round the clock reefer monitoring.

SCRAP HANDLING:

The scrap materials which are imported from several other countries for the manufacturing of steel are imported and stored in the Scrap yard area in the open yard of the CFS. The scrap yard area is a total area of 9000 sq.mt.

The imported containers are brought in to the scrap yard area and it will be de-stuffed with the help of a crane or a stacker.

HAZARDOUS/SPECIALIZED CARGO HANDLING:

MIV CFS has the ability and resources to handle hazardous Cargo.The individuals handling the hazardous cargo have undergone regular training and refresher courses on International Maritime Dangerous Goods (IMDG) code, equipment handling and other safety features that make them perfectly suited to handle various kinds of hazardous cargo safely and carefully. In order to that, there are two more extra warehouses for storing and handling these hazardous and specialized cargoes. They are called;

- 7000 warehouse
- 3000 warehouse (for hazardous goods)

The CFS have specialized equipment to handle all kinds of ODC and Out of Gauge (OOG) cargo, without any damage or delays. They have a team of experts who are adapted to planning the operations and flawlessly executing them with no compromise on safety or quality.

SWOT ANALYSIS OF MIV CFS

A SWOT analysis is a strategic planning tool used to evaluate the Strengths, Weaknesses, Opportunities, and Threats of a business or organization.

STRENGTH

- Strategic Location
- Expertise and Experience
- Diverse Services
- Technology Integration

WEAKNESS

- Limited Resources
- Less Marketing Initiatives
- Infrastructure Limitations

OPPORTUNITY

- Market Demand
- Technology Advancements
- Geographical Expansion

THREATS

- Competition
- Political Interference
- Change in Policies
- Economic Factors

In conclusion, MIV CFS Vallarpadam in Kochi stands as a strategically located and significant facility in Kerala. With its close proximity to the ICTT terminal and the distinction of being one of the largest CFS in the region, it offers a top-notch infrastructure and technologically advanced systems, prioritizing the safety and security of people, cargo, and containers. The CFS's capability to handle diverse cargo types, including hazardous goods and Over Dimensional Cargo (ODC) in accordance with international standards, further enhances its value. For those fortunate enough to be part of the MIV family, the experience proves to be both a privilege and an opportunity for personal and professional growth. MIV CFS Vallarpadam continues to play a pivotal role in contributing to the region's maritime trade and logistics landscape, leaving a lasting impact on the careers and practical skills of those associated with it.

Solutions

- The enterprise should bring employees engagement activities to increase the productivity of employees.
- MIV CFS should indulge more promotional activities.
- The company should introduce new software or make any new update on existing software (TRACKER) for all the computer based activities.
- The company should increase the number of employees

STP CONTAINER FREIGHT STATION :

1.) STP has established Container Freight Station spanning 7 acres of prime property at the
2.) ideally located North Chennai suburb of Moolakkadai. This Container Freight Station is built to meet international standards and has officers from the Indian Customs posted. Apart from other features, like skilled labour, fork lifts, cranes and other transport equipment to handle all types of cargo. The Container Freight Station boasts of 45,000 sq. ft covered space.
3.) Office Space at CFS - Customs and CHA 1,600 Sq.Ft
4.) CCTV Coverage Office / Covered Storage / Open Container Yard
5.) Ground slots with capacity of about 3000 containers
6.) Stacking Capacity: 1+ 4 High - Max Capacity of 1920 TEUs at any given point.
7.) Weigh Bridge 2 Units of 100 + Tons capacity

PROBLEMS IN STP CFS

Limitations in Infrastructure: Inadequate infrastructure, such as inadequate handling equipment, storage facilities, and transportation network connectivity, may be present in temporary facilities. Operations may become more difficult and service quality may suffer as a result.

The smooth functioning of the freight sector is contingent upon the efficient coordination and communication of various stakeholders. It may be difficult for temporary installations to coordinate activities amongst many stakeholders, such as shipping lines, freight forwarders, customs agencies, and trucking companies.

SICAL LOGISTICS Pvt

Having been established in 1955 and boasting revenues over Rs. 800 Cr, it is the top provider of integrated logistics solutions in India, having over 50 years of experience in delivering comprehensive logistics solutions. The Coffee Day Group purchased Sical in 2011. The group's interests included retail coffee, technology parks and SEZs, financial services, hospitality, and stake holdings in well-known IT and embedded technology companies.
Sical has made significant investments in logistics-related infrastructure and has expanded and developed in various business segments such as mining, port logistics, road and rail transport, container freight station, warehousing, and shipping. Historically, Sical was known for its stevedoring, customs handling, trucking, and steamer agency businesses. Apart from the aforementioned, Sical additionally offers offshore support services to the oil.

Problems:

1.) Gaining market share and keeping customers requires consistently delivering high-quality, dependable, and responsive services that live up to customer expectations. It might be difficult for Sical Logistics Ltd. to continuously provide excellent customer service throughout all of its CFS activities.

2.) The functioning of CFS facilities can be affected by external causes that interrupt supply chains, such as natural catastrophes, geopolitical events, or changes in trade policies. Strong risk management procedures must be in place at Sical Logistics Ltd. in order to lessen the effects of such interruptions.

GATEWAY DISTRIPARKS [KERALA] LTD

GDKL brings vast resources and expertise to work, in order to support our customers with comprehensive logistics solutions. Gateway Distriparks Ltd.'s 60% subsidiary, Gateway Distriparks (Kerala) Limited (GDKL) commenced CFS operations on 8 May 2012, handling export containers through the International Container Trans-shipment Terminal (ICTT). ICTT, the prestigious Vallarpadam Container Terminal in Kochi and GDKL's Container Freight Station (CFS) will help facilitate EXIM trade in the region.

GDL is a container logistics company with Pan-India presence providing container freight station (CFS) and Inland container depot (ICD) services. GDL operate two large CFS's at JNPT and CFS's at Mumbai, Chennai, Vizag & Kochi. GDL operates cold chain logistics business through its subsidiary, Snowman Logistics Limited (SLL), JV with Mitsubishi Group and through another subsidiary, Gateway Rail Freight Limited (GRFL) operates own container trains and Rail-ICD's near Gurgaon, Ludhiana and Faridabad

Problems:

1.) Port Congestion: Vallarpadam International Container Transshipment Terminal (ICTT) and Kochi are two of Kerala's principal ports. Cargo transportation delays caused by port congestion can reduce Gateway Distriparks Kerala Ltd.'s operational efficiency. For things to run smoothly, port access optimization and congestion-related problem management are essential.

2.) Regulatory Compliance: Gateway Distriparks Kerala Ltd. must abide by all local, state, and federal rules and regulations, including those pertaining to the environment, labor laws, and taxation. There may be financial and legal consequences for noncompliance. It's critical to stay current on regulatory developments and make sure adherence

Challenges that are faced by CFS

In India, ports and CFS's form a part of the Essential Services Act and thus continue to be operational. Due to space constraints at Indian ports, cargo moves to CFS's that offer various services like imports and exports handling, bonded and non-bonded warehousing, documentation, deliveries, and more.

Around three years ago, the Indian government introduced the Direct Port Delivery (DPD) programme that allowed businesses to move cargo directly from the ports to their destination. This was done to make delivery faster, more cost-effective and to improve the ranking of ease of doing business. There were talks that the CFS's are not required at all. But during this COVID-19 crisis, CFS's came in as saviours evacuating all those containers which the importers didn't pick up from ports. The CFS's avoided the ports from getting congested. They made sure that trade kept moving by ensuring faster evacuation of containers from the port.

CFS's continue to facilitate trade in the current situation too. As efforts are on to prevent the spread of COVID-19, India has been on a complete lockdown with only essential services being permitted to operate. This has had an impact on the imports and exports in the country. Playing a key role in the seamless transportation of goods and cargo, CFS's are facing a unique set of challenges.

Due to paucity of space at the ports, import containers are being evacuated from ports to CFS's. However, long distance trucking activities are slowing down due state borders getting locked down. As a result, non-availability of truck drivers is leading to import deliveries slowing down. In order to prevent a situation where CFS's run out of storage space and come to a standstill, storage and process innovation has become the need of the hour. There is pressure on the CFS's to mitigate this, because if they come to a standstill, ports will get choked and this will cause a further decline in EXIM trade.

Exports, on the other hand, are facing an adverse impact due to factories that have shut down owing to non-availability of labour. Due to this slowdown in exports, ships are staring at the possibility of going without export containers after off-loading their imports. This is causing ship owners to consider not docking into Indian ports. It could also lead to an increase in freight rates for imports to cover-up for their export leg cost.

Caught in a crossfire

As an essential service, a CFS cannot afford to completely shut down. And to keep facilities running, staff members need to be on the site. Not all of them can work remotely. In view of various health and safety restrictions, CFS's have had to analyse and change some of their processes to ensure seamless services even with minimal staff. In addition, providing masks and sanitizers, regularly disinfecting the facilities, carrying out temperature checks for staff members and visitors and other measures have been implemented to ensure safety. CFS's continue to incur huge amount of costs to keep up with their regular functioning as well as additional COVID-19 prevention measures.

With customers not being able to take deliveries, the turnaround time has increased leading to decrease in revenues. Also, existing customers who are not in a position to pay the ground rentals and other charges accrued have been demanding waivers.

Caught in the crossfire between incurring costs to keep operations running and facing non-payments, CFS's across India still power on.

Their role has been instrumental while tackling the current crisis. They have continuously evacuated containers from the port – despite no deliveries – to keep the ports functional. Though there are space constraints at the CFS's too, they have navigated their way by implementing changes to storage methods and processes but making sure that ports don't get choked. Had this not been the case, EXIM trade would have come to a halt.

"A point to note is that the CFS's, through their association, have come forward with a gesture to waive-off ground rent charges for a certain period of time, while requesting all importers to evacuate containers from the CFS's, as the CFS's are expected to get choked soon", says Adarsh Hegde, Joint Managing Director, All cargo Logistics.

"At all of All cargo's CFS's that form India's widest CFS-ICD network, import, export, transportation and handling services continue uninterrupted. We are also equipped with operators available to offer loaded delivery for import containers. Our sales and customer care teams are working remotely to enable smooth completion of documentation, invoice generation, and other processes", he continues.

Emerging stronger from the crisis

A top priority right now would be for CFS's to interact more closely with their customers as well as with shipping lines and come up with solutions that will ensure business continuity for all stakeholders. It is only if business continues that it will slowly begin to pick up and recover.

As CFS's take steps to mitigate financial challenges, taking an end-to-end approach to planning and implementing strategies is what will hold them in good stead.

It is also important to relook at capacity building. The current situation is certainly an eye-opening reminder of dependencies in the logistics industry. It is important for CFS's to take lessons from current challenges like transportation non-availability, slowdown in imports and exports for example, and modify contingency plans to accommodate for situations like these, should they reoccur in future.

With digitisation fast emerging as a 'new normal' and a major chunk of the global workforce operating remotely, using digital tools and technology to stay connected and collaborate will prove to be a key to success. At various CFS facilities, with minimal staff on-ground, the safety and security of the cargo as well as processes like checking and examining goods, invoicing, documentation formalities, etc. will need to be handled with much more reliance on digitising and optimising operations.

CHAPTER -5

FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

The major findings of the report consist of the following:

- The operating procedures and formalities associated with the operations of both public and private CFS are the same and are under the control of customs.

- The CFS is offering a wide range of services for their customers and is generating revenue from the services offered by them.

- The private CFS in Kochi is offering more services compared to the public CFS.

- Certain public CFS in Kochi such as the Cochin port CFS has monopoly over some services such as the Personal Baggage Clearance.

- Even though the CFS mentions their tariff rate regarding their services offered by them, but the rates will be negotiated by most of the CFS based on the market conditions and requirements of their customers. Except in the case of the Cochin port CFS.

- Introduction of new schemes and policy by the government for facilitating the trade such as the direct port delivery creates a major challenge for the CFS.

SUGGESTIONS

Major suggestions that can be provided in relation to the report include the following:

- The public CFS need to offer more services and value-added services for attracting business and customers

- Monitoring should be made on the charges levied by the CFS

- Electronic filing of documents and orders needs to be promoted more in all the CFS.

- For increasing the operating efficiency of the CFS, the delay in the container movement from the port to CFS must be reduced.

CONCLUSION

The logistics industry plays an important role in the growth of the country and its trade. With the different development and advancement arising around this sector it has led to the movement of goods seamlessly across the world and the country. When it comes to the movement of goods between countries, the port and container freight station are critical for the smooth flow of EXIM trade. The ports handle around 90% of EXIM Cargo by volume and 70% by value through seas. With the development of containerization and the growth of container trade around the world and India, has facilitated the growth of the CFS and has emerged as a dominant aspect in the EXIM value chain. The CFS is considered as an extended arm of the port developed with the objective of decongesting the ports and enhancing the handling capacity of the terminals.

The research is being conducted among the public and private CFS in Kochi with the goal of gaining an understanding of the CFS and its functions, importance, services, facilities and operations etc. A comparative analysis has been made on the public and private CFS based on various parameters. The primary operations of CFS include the stuffing, de-stuffing, customs examination, consolidation of cargo, and storage of the goods. The CFS is a customs notified area where all the dealings are under the customs. These stations are situated near the port, terminals etc. and facilitates the movements of the exporters and importers shipments. Due to theCovid-19 pandemic restrictions, the research was mainly undertaken based on the secondary data available and through telephone survey.

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- https://www.gdklcfs.com (Gateway Distriparks [Kerala] Ltd)
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