

# A Comparative Study On Traditional And Modern Methods Of Import & Export Process & Documentation With Reference To Msa Shipping (Pvt) Ltd

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## Modernizing Logistics and Supply Chain Management:

### A Case Study of MSA Freight Systems:

In today's highly competitive global business environment, efficient logistics and supply chain management (SCM) play a pivotal role in ensuring business profitability, customer satisfaction, and operational excellence. With globalization driving increased customer expectations for faster, safer, and more cost-effective deliveries, logistics services have become more vital than ever. In the increasingly globalized business environment, the logistics industry plays a crucial role in ensuring the seamless movement of goods across borders.

The integration of modern supply chain management (SCM) techniques, advanced technology, and effective transportation systems has become essential for businesses aiming to remain competitive. As customer expectations for timely, secure, and cost-effective deliveries continue to rise, companies must evolve by adopting innovative logistics solutions.

This article explores the current status, challenges, and modernization journey of MSA Freight Systems Pvt Ltd, an established logistics service provider operating in India and abroad. It also highlights industry trends and presents strategic recommendations for operational improvements.

### The Global and Indian Logistics Industry:

#### Growth and Challenges Global Outlook:

- In 2022, the global logistics market was valued at USD 5.2 trillion, with projections of a 4.6% compound annual growth rate (CAGR) from 2022 to 2026.
- The industry faces high operational costs, low margins, talent shortages, and demand for one-stop

solutions driven by consolidation through mergers and alliances.

### Indian Market Overview:

- India's logistics sector was valued at USD 160 billion in 2022 and is expected to grow to USD 215 billion by 2024 at a CAGR of 10%.
- The sector directly employs over 22 million people and is pivotal for sectors like FMCG, e-commerce, retail, and manufacturing.
- Despite growth, the industry struggles with issues such as:
- Cargo pilferage (India accounted for 64% of Asia's cargo thefts in 2020).
- Poor infrastructure and fragmented transport networks.
- Slow technology adoption, with challenges in integrating digital systems for supply chain optimization.
- Complex government regulations and legal hurdles affecting operational efficiency.

### According to recent industry data:

The global logistics market reached a value of USD 5.2 trillion in 2022 and is expected to grow at a CAGR of 4.6% from 2022-2026.

In India, the logistics sector is valued at USD 160 billion and employs over 22 million people directly. It's projected to reach USD 215 billion by 2024 with a 10% CAGR.

Despite this growth, India's logistics industry faces persistent challenges such as infrastructural deficiencies, cargo pilferage (which accounts for 64% of Asia's cargo thefts in India), and slow technological adoption.

### MSA Shipping Pvt Ltd: Company Overview

Founded in 2000 in Sri Lanka, MSA Shipping has grown into a prominent freight forwarding and supply chain management company with operations in India and Malaysia, and plans to expand to Dubai and Kenya. Their services include:

- NVOCC Operations
- Project Cargo
- Door-to-Door International Logistics
- Air & Sea Freight
- Customs Clearance
- Transportation
- Value-Added Services
- Container Trading and Leasing

By 2020, MSA operated 11 branches in India and 1 in Malaysia. In 2022, it was honoured with the NVOCC of the Year award for the Tuticorin region.

### Operational Challenges:

#### Traditional Systems:

- Communication and collaboration hurdles (30.5%)
- Limited traceability and visibility (24.8%)
- Security concerns and delays in documentation processing

#### Modern Systems:

- Cross-border legal and regulatory barriers (32.3%)
- Supply chain visibility issues (24.8%)
- Vendor lock-in and technological disruptions

### Study Findings: Traditional vs. Modern Operations

- A study involving 226 employees at MSA Freight Systems in Tuticorin revealed key trends:
- 33.6% of employees still use physical shipping manifests for documentation.
- 27.5% rely on digital communication tools, while 33.6% highlighted blockchain technology as a major modern tool adopted.
- The biggest challenges in traditional systems were communication gaps (30.5%) and limited traceability (24.8%).
- In modern systems, 32.3% pointed to cross-border legal and regulatory barriers as a key obstacle.

### Advantages of Modern Methods:

- The majority of respondents recognized significant benefits with modernizing logistics operations:
- Enhanced security (32.3%)
- Global connectivity (31.9%)
- Real-time collaboration (23.5%)
- Streamlined compliance reporting.

Modern digital systems — including electronic documentation, automated customs clearance, and digital freight tracking — have notably improved operational efficiency, though wider adoption is essential for maximizing value.

### Employee Demographics:

- 32.3% of respondents were in the 51-60 age group.
- 57.1% were male, and 32.3% had worked for over 10 years.

### Strategic Recommendations:

#### 1. Upskill Senior Staff:

Develop customized training programs on digital logistics tools, blockchain systems, and electronic data interchange (EDI) tailored for experienced employees aged 51-60.

#### 2. Invest in Legal Expertise:

Appoint trade compliance professionals to manage cross-border legal challenges and stay current with global customs regulations.

#### 3. Accelerate Digital Adoption:

Implement enterprise-wide blockchain-based systems, real-time cargo tracking, and integrated customs documentation processes.

#### 4. Employee Engagement:

Involve operational staff in digital transformation projects and pilot new tools to ease resistance to change.

#### 5. Change Management Programs:

Introduce clear communication, incentives, and support systems during modernization transitions to ensure seamless technology adoption.

### The study recommended:

- Conducting digital skills training programs, especially for experienced staff.
- Investing in legal experts and regulatory advisors to navigate international trade complexities.
- Encouraging employee engagement in technology transitions through pilot projects.
- Implementing customized training modules for different employee segments.

## Conclusion

MSA Freight Systems' operational model reflects broader industry trends — balancing between legacy systems and modern logistics solutions. By adopting digital tools like blockchain, electronic documentation, and real-time communication platforms, the company is improving operational efficiency, security, and customer satisfaction. Addressing challenges like cargo pilferage, regulatory bottlenecks, and workforce skill gaps will be crucial for sustaining growth in India's logistics market, expected to cross USD 215 billion by 2024.