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A study on Tiruppur shippers working aspects in the international shipments

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Abstract

The study explores the essential working aspects of Tiruppur shippers, including export documentation, compliance with international trade regulations, logistics management, cost efficiency, and risk mitigation. It also assesses the role of government policies, trade agreements, and technological advancements in enhancing the efficiency of export shipments from Tiruppur. The research identifies key stakeholders involved in the shipping process, such as manufacturers, freight forwarders, customs authorities, and financial institutions, to understand their roles and contributions to smooth trade operations. The methodology adopted for this research includes primary data collection through surveys and interviews with industry experts, exporters, and logistics providers, along with secondary data analysis from government reports, trade publications, and export records. In conclusion, this study aims to contribute valuable insights to exporters, policymakers, and industry stakeholders by identifying critical areas of improvement and formulating strategies to enhance the competitiveness of Tiruppur's export industry. By addressing key challenges and leveraging emerging opportunities, Tiruppur shippers can strengthen their position in the global market and sustain long-term growth in international trade.

Keywords: Government reports, trade publications, export documentation, with international trade regulations, logistics management, cost efficiency, and risk mitigation and export record

Introduction

Tiruppur is home to thousands of small, medium, and large-scale garment manufacturing units that cater to both domestic and international markets. With exports accounting for a significant portion of its economic activity, the city has developed a robust ecosystem centered around international trade logistics, making it a key area of interest for studies focused on global supply chains and export-oriented industries. This research project aims to explore and analyse the working aspects of Tiruppur shippers involved in international shipments. Shippers form the backbone of the export supply chain, ensuring that goods produced reach global destinations on time and in good condition. Their operations encompass various critical activities such as packaging, documentation, customs clearance, transportation, compliance with international standards, and coordination with freight forwarders and buyers. Understanding the workflow, challenges, and operational strategies of these shippers offers valuable insights into how international trade is facilitated from a regional export hub like Tiruppur.

Research background

The study gains significance in the context of the evolving global trade environment. With increasing competition, stricter compliance regulations, and rapidly changing buyer expectations, shippers are under pressure to adapt and enhance their processes. Moreover, advancements in logistics technology, digital documentation, and supply chain management systems have introduced new dimensions to shipping practices. It is, therefore, important to investigate how Tiruppur shippers are leveraging these developments to streamline their international operations and maintain global competitiveness. Another area of focus in this study is the role of institutional support, government policies, and trade facilitation measures in shaping the functioning of shippers.

Scope of the Study

The present study aims to explore and analyse the working aspects of shippers in Tiruppur involved in international shipments, with a focus on understanding their operations, challenges, and efficiency in the global export environment. Tiruppur, known as the knitwear capital of India, contributes significantly to the country's textile exports. Hence, understanding the shipping dynamics from this region provides valuable insights into how logistics and shipping functions are managed in a highly competitive international market. This research primarily focuses on the textile and garment export industry in Tiruppur, where shippers play a crucial role in ensuring timely and compliant delivery of goods to global markets. The study includes operational processes such as export documentation, logistics management, customs clearance, coordination with freight forwarders, and adherence to international shipping regulations. It also takes into account how exporters handle packaging, labelling, transportation, and tracking of shipments. Digitization and AI-driven logistics technologies present another area of opportunity. With increasing global emphasis on supply chain transparency and shipment visibility, shippers who adopt tools like block chain for secure document verification, IoT for shipment tracking, and AI for demand forecasting will attract more international buyers. Training programs and partnerships with tech firms can help local shippers upgrade their systems cost-effectively.

Objectives of the Study

To understand the operational framework followed by Tiruppur-based shippers engaged in international trade and their role in the export value chain.

To analyse the export procedures adopted by shippers, including documentation, customs clearance, compliance

with international regulations, and coordination with freight forwarders.

To study the logistics infrastructure available in Tiruppur and surrounding areas that supports international shipments, including transport, warehousing, and port connectivity

Research Methodology of the Study

The research methodology defines the approach used to collect, analyse, and interpret data related to the working aspects of Tiruppur shippers involved in international shipments. This section outlines the research design, data sources, sampling methods, tools used, and the overall approach to ensure the study is objective, reliable, and result-oriented. The study follows a descriptive research design, aiming to analyse the existing practices, challenges, and trends in international shipping among Tiruppur-based exporters. The focus is on collecting qualitative and quantitative data to describe the shipping process in detail.

Analysis, findings and Results

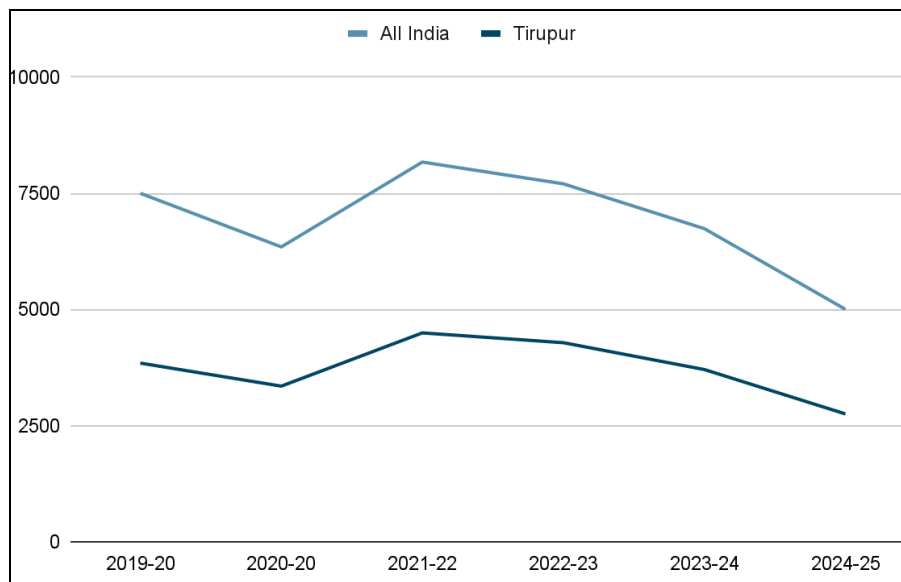
Organizations such as the Tiruppur Exporters Association (TEA) and various government bodies have played a crucial role in supporting exporters and ensuring smooth international trade. This research will explore how such support systems contribute to efficient shipping operations and whether there are gaps that need to be addressed. Additionally, the study will examine the challenges faced by Tiruppur shippers, including logistical bottlenecks, rising freight costs, documentation complexities, delays in customs procedures, and global disruptions such as the COVID-19 pandemic. By identifying these issues, the research aims to suggest actionable solutions that can improve operational efficiency and enhance the global competitiveness of Tiruppur's export industry.

	2019-20	2020-21	2021-22	2022-23	2023-24(P)	2024-25 (APR-NOV) (P)
AllIndia	7,501	6,347	8,173	7,705	6,740	5,004
Tiruppur	3,846	3,350	4,496	4,285	3,707	2,752
Share (%)	51.3	52.8	55.0	55.6	55.0	55.0

The logistics process begins post-production, after garments are packed and ready for dispatch. Most exporters in Tiruppur, especially medium and large-scale units, maintain their own in-house logistics or shipping departments to manage the movement of goods. Smaller units often rely on third-party logistics providers (3PLs) or freight forwarding agents. At this stage, the exporter coordinates the collection of packed goods from the production site or warehouse and arranges for transportation to the port of shipment. The primary ports used by Tiruppur exporters are Tuticorin Port (VOC Port) and Chennai Port, with some air shipments routed through Coimbatore International Airport or Chennai International Airport. A vital part of the logistics arrangement is the selection and coordination with a freight forwarder. Freight forwarders act as intermediaries between exporters and shipping lines or airlines. In Tiruppur, there are numerous local and international freight forwarders

offering comprehensive services including space booking, container allocation, cargo consolidation, route planning, and schedule management. The freight forwarder is responsible for arranging vessel space, preparing necessary shipping documents like the Bill of Lading (B/L), and coordinating with the shipping line or airline for cargo movement.

Beyond the well-organized production processes, a critical part of its success lies in the efficient logistics arrangement that ensures timely delivery of goods to global buyers. Logistics is not merely about transportation it encompasses the entire supply chain movement from factory to port, including coordination with freight forwarders, customs clearance, documentation, and warehousing. Exporters in Tiruppur have developed a robust logistics ecosystem that supports their fast-paced, buyer-driven export industry.

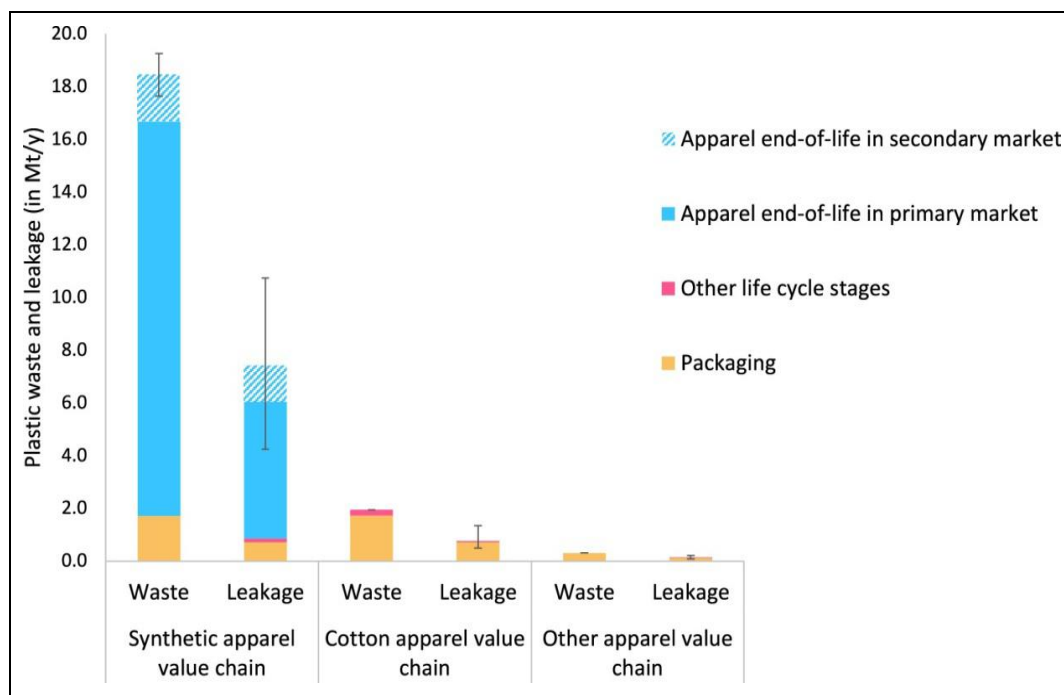


Year-Wise Tirupur Export Data

Year	Quantity (Lakh Pieces)	Value (Rs)	US Dollar/ Rupee	Value in (US\$ Mn)
1984	104.2	9.69	11.37	8.52
1985	172.1	18.69	12.36	15.12
1986	288.7	37.48	12.61	29.73
1987	333.56	74.49	12.96	57.5
1988	459.06	104.24	13.91	74.91
1989	614	167.39	16.22	103.18
1990	888.73	289.85	17.5	165.64
1991	905.11	429.48	22.69	189.29
1992	1399	774.93	25.92	298.96
1993	1893	1162.43	31.45	369.66
1994	1964	1318	31.37	420.09
1995	2171	1591.83	32.42	490.95
1996	2574	1897	35.43	535.43
1997	2983	2255	36.32	620.88
1998	3461	2619	41.27	634.64
1999	3764	3067	43.05	712.45
2000	4243	3581	44.94	796.84
2001	3831	3528	47.19	747.68
2002	3580	3250	48.6	668.73
2003	3812	3896	46.58	836.38
2004	4114	4468.75	45.32	986.12
2004-2005		6,500.00	44.93	1446.6
2005-2006		8,500.00	44.28	1919.75
2006-2007		11,000.00	45.26	2430.6
2007-2008		9,950.00	40.27	2470.78
2008-2009		11,250.00	46.09	2441
2009-2010		11,500.00	47.43	2424.41
2010-2011		12,500.00	45.54	2745.09
2011-2012		12,500.00	47.85	2612.53
2012-2013		13,000.00	54.44	2387.74
2013-2014		18,000.00	60.59	2970.61
2014-2015		21,000.00	61.15	3434.29
2015-2016		22,060.00	65.43	3371.34
2016-2017		23,620.00	67.07	3521.95
2017-2018		24,060.00	64.46	3732.33
2018-2019		27,650.00	69.94	3953.54
2019-2020		27,280.00	70.92	3846.48
2020-2021		24,750.00	73.88	3350.03
2021-2022		33,525.00	74.57	4495.78
2022-2023		34,350.00	80.16	4285
2023-2024		30,690.00	82.78	3707
2024-2025		23,048.00	83.55	2,752.00
(APR- NOV) (P)				

For garments and textile exports, classification under the correct HSN code is vital, as it affects duty rates, licensing, and incentive claims. Tiruppur exporters typically fall under HS codes beginning with 61 (for knitted or crocheted apparel) and 62 (non-knitted apparel). Correct classification helps avoid penalties or shipment holds. Customs clearance also involves verifying the value of goods based on the commercial invoice, which is crucial for foreign exchange realization and export incentive calculations. In the case of

Letter of Credit (LC) shipments, the CHA ensures that all customs documents align with LC terms. This is especially important because even minor mismatches in terminology or product description can result in delayed payment or rejection by the buyer's bank. Exporters often maintain a checklist to ensure that the commercial invoice, packing list, certificate of origin, shipping bill, bill of lading or air waybill, and insurance certificate are all in sync.



The primary procedures in the second stage, which is textile processing, include printing, bleaching, and dyeing gray fabric. Additionally, on a need basis, several additional auxiliary tasks like calendaring and washing are also carried out. The third step is the production of clothing, which involves labelling, packaging, buttoning, sewing, embroidery, and cutting as well as shipping and exporting. A small number of business owners who primarily engage in direct exporting carry out all of the aforementioned operations within their own manufacturing facilities. They believe that in order to ensure quality and prompt delivery, vertical integration is advantageous in the export industry. Tiruppur has shown the capacity to advance up the value chain, in contrast to other clusters, albeit in a restricted way. With a little rise in unit value addition, its product line has become more varied. The city houses thousands of small, medium, and large-scale garment exporters who cater to global markets including the USA, Europe, Canada, Japan, and the Middle East. The success of the region depends not only on quality production but also on efficient and timely delivery of export consignments. The delivery process in this context refers to a series of well-coordinated stages from post-production to the final handover of goods to international buyers.

Logistics Arrangement

Transportation to the port is another crucial segment. Tiruppur's location makes it well-connected via road to Tuticorin and Chennai ports. Exporters either use dedicated trucks or engage transporters offering shared logistics

solutions. Some freight forwarders offer door-to-port services, which include pick-up from the factory and delivery at the port terminal. Many exporters in Tiruppur work with local transport unions and fleets that specialize in handling textile cargo, ensuring the goods are transported securely and with minimal delay. In the case of air freight, logistics arrangements are even more time-sensitive. Garments meant for urgent deliveries or fashion launches are often air-shipped. Exporters coordinate with air freight forwarders and book cargo space through international airlines operating from Coimbatore or Chennai. Tiruppur has multiple warehouses, logistics parks, and dry ports equipped with material handling infrastructure. Exporters may use these facilities for short-term storage, consolidation, or staging shipments for inspection and stuffing. Some large exporters operate their own warehouses, ensuring better control over inventory and shipment readiness. Moreover, warehouses located close to CFS facilities help reduce lead times and logistic costs.

Customs Clearance

Tiruppur, one of India's foremost textile and knitwear export hubs, exports to more than 150 countries around the world. A critical element in this export ecosystem is the customs clearance process, which ensures that goods are legally approved for international shipment. This process, while often operating behind the scenes, is one of the most essential and time-sensitive functions in the export supply chain. Any delay or error in customs clearance can lead to shipment postponement, financial penalties, or even

cancellation of orders. Therefore, understanding how customs clearance operates in the context of Tiruppur's exporters is vital for comprehending the region's overall export performance. Customs clearance in Tiruppur typically begins once the export consignment is ready for dispatch that is, after the production, packing, quality checks, and documentation stages are complete. Most garment exporters in Tiruppur, regardless of size, do not deal directly with customs authorities. Instead, they rely on Customs House Agents (CHAs) or authorized freight forwarders who are licensed to handle export documentation, communicate with customs, and facilitate cargo clearance. These CHAs act as intermediaries between the exporter and the Customs Department of India. Tiruppur's exporters primarily use Tuticorin (VOC Port) and Chennai Port for sea shipments, and Coimbatore or Chennai Airport for air exports. Depending on the mode of transport and the type of product being exported, customs clearance requirements can vary slightly. For instance, shipments involving export incentives or duty drawback claims require additional documentation such as the Bank Realization Certificate (BRC), Certificate of Origin, and relevant licenses. In some cases, physical examination of the cargo is required, while in others, goods are cleared under Risk Management System (RMS), allowing for quicker processing.

Swot Analysis

Tiruppur, often referred to as the knitwear capital of India, has firmly established itself as a vital hub for garment exports. One of the major strengths of Tiruppur shippers lies in the well-established industrial ecosystem that supports the entire value chain—from yarn manufacturing to finished goods. This vertical integration significantly reduces lead time, enhances cost efficiency, and provides better control over quality. Shippers benefit immensely from the presence of numerous garment units, processing houses, packaging units, and logistic facilitators all within close proximity. This localization allows for quicker turnaround times and flexible responses to international buyers' needs. Moreover, Tiruppur's exporters and shippers are highly experienced and knowledgeable in handling international shipment documentation, labelling norms, packaging standards, and compliance requirements for various countries, including the US and EU nations. Their understanding of international trade regulations, such as Incoterms, customs procedures, and export incentives, has streamlined the shipping process. The availability of skilled manpower, particularly in logistics coordination and customs clearance, further strengthens their capabilities in managing international shipments efficiently. Another strong aspect is the strategic collaborations between shippers and freight forwarders, customs house agents (CHAs), and international logistics companies. These partnerships ensure timely booking of containers, real-time shipment tracking, and minimized port delays. Tiruppur shippers also leverage digital platforms for document processing, reducing errors and enhancing traceability in export documentation. Their proactive adoption of digital invoicing, e-filing for customs, and online logistics platforms reflects a shift toward technology-driven logistics operations.

Weaknesses

Despite these strengths, there are significant weaknesses that challenge the efficiency and competitiveness of

Tiruppur shippers in international markets. One of the persistent problems is the inadequate infrastructure in terms of connectivity to major seaports like Chennai, Tuticorin, and Kochi. The absence of a dedicated cargo terminal or dry port in Tiruppur results in higher inland transportation costs and delays, especially when goods have to be transported in refrigerated or time-sensitive conditions. Road conditions and traffic congestion further contribute to inefficiencies in cargo movement.

Opportunities

Tiruppur shippers stand to gain significantly from emerging global trends and policy support that can propel their growth in international shipments. The increasing global demand for ethically produced and sustainable garments opens a new avenue for exporters who comply with international certifications. If shippers align their processes with green logistics practices—such as carbon-neutral shipping, use of ecofriendly packaging, and clean transportation—they can gain a competitive edge in the global marketplace. Another major opportunity lies in the development of dedicated freight corridors and logistics parks under the Indian government's National Logistics Policy and initiatives like PM Gati Shakti. These projects aim to improve infrastructure and reduce logistics costs, which can directly benefit Tiruppur's export logistics. A proposed Inland Container Depot (ICD) or dry port closer to Tiruppur would drastically reduce dependency on distant ports and streamline customs clearance procedures locally. Tiruppur shippers can also tap into Free Trade Agreements (FTAs) with countries such as the UAE, Australia, and the UK. These trade agreements allow for reduced tariffs and simplified export documentation, encouraging higher volumes of shipment. By aligning shipping practices to take advantage of these FTAs, shippers can enhance profitability and market reach.

Threats: While opportunities are promising, several external threats can disrupt the international shipping operations of Tiruppur exporters. Geopolitical uncertainties, such as trade wars, sanctions, or diplomatic tensions, can lead to sudden changes in shipping routes, tariffs, or documentation requirements. For instance, changes in US or EU trade policies can affect the demand, cost, or regulations tied to Tiruppur's key markets. Similarly, fluctuations in foreign exchange rates can erode profit margins, making it harder for shippers to maintain competitive pricing. Supply chain disruptions caused by global crises, like the COVID-19 pandemic or the Red Sea shipping crisis, highlight the fragility of international logistics. These disruptions can lead to delayed deliveries, higher freight costs, or container shortages—all of which directly affect the shipment schedules and reputation of Tiruppur shippers. Moreover, increasing fuel prices and carrier surcharges present a constant threat to profitability, particularly for smaller exporters with limited ability to absorb costs. Stringent international compliance norms, especially those related to labour practices, carbon emissions, and environmental impact, can also pose a threat. Non-compliance—even unintentional—can lead to shipment rejection, blacklisting, or legal penalties. Inconsistent enforcement of such norms across various countries adds to the complexity and risk for shippers. Moreover, any disruption or inefficiency in Indian customs or port operations can create bottlenecks, especially during peak seasons like Diwali or Christmas.

Suggestions

The international shipping processes undertaken by Tiruppur exporters play a critical role in shaping the region's global reputation in the knitwear and textile industry. Based on the SWOT analysis and field observations, several practical and strategic suggestions can be made to enhance the efficiency, reliability, and global competitiveness of Tiruppur shippers. These suggestions range from infrastructure upgrades to digitalization, policy-level interventions, skill development, and sustainable practices. One of the most pressing needs for Tiruppur shippers is the development of a dedicated dry port or Inland Container Depot (ICD) within or near Tiruppur. Currently, goods are transported to ports like Chennai, Tuticorin, and Kochi, which are located several hundred kilometers away. In addition to physical infrastructure, enhancing digital infrastructure is critical. While many exporters have begun using ERP systems and logistics software, there is still a large portion of shippers—especially small and medium enterprises—who rely on manual documentation. These practices lead to inefficiencies, errors, and delays. It is suggested that the government and industry bodies offer incentives or subsidies to encourage the adoption of digital logistics platforms, such as e-invoicing, e-way billing, and electronic customs documentation. Training programs can be arranged to familiarize shippers and their staff with digital tools and compliance software. Another significant suggestion involves the creation of an Integrated Logistics Support Centre (ILSC) in Tiruppur. This centre would serve as a one-stop solution for exporters, offering services such as freight booking, cargo consolidation, customs consultancy, and export documentation assistance. Having such a centre would reduce dependency on intermediaries and allow for better coordination among freight forwarders, customs house agents (CHAs), and logistics providers. The ILSC could also house a grievance redressal mechanism to handle issues faced by exporters in real-time. Improving connectivity and road infrastructure between Tiruppur and major ports is also crucial. Poor road conditions and traffic bottlenecks often lead to shipment delays and increased costs. The Tamil Nadu government, in collaboration with the central government, should prioritize road-widening projects, expressway connections, and dedicated freight corridors that directly link Tiruppur to the nearest ports. The implementation of the PM Gati Shakti initiative should be closely monitored to ensure that Tiruppur's logistics infrastructure is not overlooked. To ensure compliance with international standards, exporters and shippers must be made aware of changing global regulatory norms. It is recommended that regular workshops and seminars be conducted by trade promotion organizations like the Apparel Export Promotion Council (AEPIC) and the Federation of Indian Export Organizations (FIEO). These training sessions should focus on country-specific compliance standards, documentation norms, and certification procedures.

Cluster-based development is another suggestion that can bring about structural improvements in the logistics ecosystem. Tiruppur already functions as a textile cluster; however, creating logistics-focused clusters with shared warehousing, common storage, and temperature-controlled facilities can further optimize export operations. These clusters can offer value-added services such as packaging,

labelling, and quality inspection under one roof, thus reducing turnaround time and cost. The integration of smart technologies like AI, IoT, and block chain into shipping operations can offer real-time data visibility and predictive analytics. For instance, AI-driven platforms can optimize route planning based on weather and port conditions, while IoT sensors in containers can track temperature, humidity, and movement in real time. Block chain can secure documentation and ensure transparency in transactions. Tiruppur exporters should explore partnerships with logistics tech start-ups to pilot such technologies and scale them upon proven success.

Implications

A centralized digital helpdesk or regional export facilitation centre in Tiruppur could address this gap effectively. The global logistics environment continues to evolve in unpredictable ways. The disruptions caused by the COVID-19 pandemic, the Russia-Ukraine conflict, and the Red Sea shipping crisis have all demonstrated the fragility of international supply chains. Tiruppur shippers, like their global counterparts, must future proof their operations through risk diversification, supply chain redundancies, and investment in predictive logistics. Real-time shipment visibility tools, AI-driven demand forecasts, and block chain-based documentation systems are no longer futuristic luxuries—they are fast becoming necessities for exporters aiming to maintain uninterrupted global trade flows.

Conclusion

The study on Tiruppur shippers and their working aspects in the realm of international shipments presents a multifaceted picture of an industry that has grown organically, innovated strategically, and thrived competitively despite infrastructure and policy limitations. As a leading textile export hub in India, Tiruppur's shipping ecosystem plays a critical role in connecting Indian knitwear to global markets, showcasing the region's entrepreneurial spirit, export readiness, and operational resilience. The shippers in Tiruppur operate at the intersection of traditional trade practices and modern logistics requirements, constantly adapting to shifting international standards, buyer expectations, and macroeconomic forces. The research reveals that while many leading exporters in Tiruppur have adopted modern enterprise systems and embraced digital tools for shipment tracking and documentation, there remains a stark divide between larger, tech-savvy exporters and smaller, resource-constrained firms. The latter continue to face challenges in document accuracy, certification compliance, and export order financing. This technological disparity not only limits their participation in high-value global supply chains but also weakens Tiruppur's position as a unified export cluster. Bridging this digital divide through government-supported digital training and access to logistics tech solutions will be critical for inclusive growth.

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