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News / Chaos in India as lack of drivers impacts every sector and every transport mode

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Supply chain chaos caused by India's botched lockdown includes just 10% of truck capacity on the roads - a devastating blow to freight movement around the country.

According to a new report by DHL's Resilience360, only 120,000 out of the 1.2 million trucks with national permits are currently on the road.

It says: "While freight movement is permitted amid the nationwide lockdowns, road movements have been severely impacted due to inter-state restrictions and the lack of available drivers.

"Inter-state borders continue to be monitored, but the movement of essential goods is subject to permission from state police."

Reminiscent of India's sudden "demonetisation" in 2016, India's 1.3bn population was given just four hours' notice of government lockdown and social distancing measures, which are now in their fourth week and officially extended until 3 May.

Confusion reigned between national and state authorities over which industries were "essential" and whether cargo could be transported as normal.

"Despite some states putting out additional notices calling for the movement of goods not to be interrupted," said Resilience360, "there have been continued cases of police stopping vehicles carrying essential goods in transit.

"Further administrative delays have also surfaced, with firms needing to negotiate with state authorities to be classified as an essential supplier."

The situation led to billions of rupees-worth of goods being left on roadsides, according to The Times of India, with drivers and helpers "running away, in many cases due to the absence of food, money or proper sanitation".

According to the Indian Foundation of Transport Research and Training, around 60% of road freight demand is from the manufacturing sector, and 10-15% from import/export activity.

Resilience360 noted that manufacturing has come largely to a standstill around the country, which could mean "up to two-thirds of truck drivers in India face unemployment".

The report earmarks India's life sciences, automotive, engineering, energy and chemicals and smartphone manufacturers as the sector's most heavily disrupted.

An easing of transport restrictions from 20 April was announced this week, but stakeholders fear the driver shortage will persist if truckers remain in their hometowns, pushing many fleet owners to the brink of bankruptcy.

Sachin Haritash, founder of Mavyn Digital Trucking, said some 98% of the drivers of organised long-haul trucks were "missing".

"With most drivers fleeing to their homes, we don't see any immediate recovery," he told The Economic Times.

A similar manpower shortage is unfolding at the nation's airports.

"Hardly any flights, including freighters, are coming into India due to cargo terminal congestion, triggered by a lack of operational staff," said Resilience360. "Especially at temperature-controlled facilities where shipments have stopped being accepted or permitted, for instance, at Mumbai."

The lockdown impact on container ports has also been "devastating", the report continues, with force majeure declared and severe cargo congestion at Jawaharal Nehru Port Trust (JNPT) and Mundra, again due to a lack of drivers and only a fraction of imported containers being collected.

"In addition, customs delays have been reported, with several locations indicating no officers available even for direct port delivery movements," Resilience360 said.