Global South Voices
...heard and unheard
GS - 04 **November 1, 2025**

Highways rising, truck drivers leaving - A veteran reveals why growth isn't enough

In conversation with a micro Indian road transpoter

You are scrolling online from your home in Mumbai (Maharashtra, India) and place an order for a product. The seller is based in Hyderabad (Telangana, India). Yet the product reaches you within three days - exactly as promised!

Have you ever paused to think about how that's even possible?

More so, because on vacation from Mumbai to Surat (Gujarat, India), driving along national and state highways, the road greets you with potholes, traffic snarls, and broken-down vehicles - no help in sight. Long-haul trucks crawl beside you, their loads hidden beneath weathered tarpaulins. You catch a glimpse of drivers and their assistants: drenched in sweat, a bidi in hand, a radio blaring to drown the monotony.

And whether the highway is newly built or decades old, the experience barely changes. A distance of 300 kms that should take 5 to 6 hours stretches into 12 hours.

By the time you arrive, exhausted and annoyed, you cannot help but wonder: if this is what *one* trip feels like, how does a parcel reach me in the stipulated 3 days? What kind of daily grind do truck drivers endure? And, what is the "career progression" for them?

However, there is another layer we rarely think about— the people who run the road transport businesses. The ones who, day in and day out, for years and decades, wake up to ensure that trucks get loaded and unloaded on time. Whether their clients pay or not. Whether the banks extend working capital to them or not. They operate with little policy support, minimal financial security and practically no social safety net. Yet, they persist - so that production doesn't stall and consumption doesn't stop. Without their quiet persistence, economic activity would quite literally grind to a halt.

Team `GSCF` would not have grasped the depth of this reality if we had not met the sole proprietor of a road transporter micro-enterprise. He entered the transport business in 1984. With over four decades in the field, his experience spans both the evolution of the sector and the everyday grind that sustains it. He speaks without mincing his words.

His experiences cut across time, scale, and geography, offering a rare window into how the road transport sector actually works - from the nature of demand and supply informing and shaping market dynamics and competition to the failure of policy transmission to benefit the sector. The value of such firsthand knowledge is immense, guiding everyone from academics and market actors to policymakers.

Through this interview, we surface voices from the Global South - both those long overlooked and those never heard at all.

Note - For this interview, the name of the road transporter and his company name are masked at his request. We have named him Masked Entity (M.E).

Team **GSCF** : ***Could you please share your name, company name and educational background for our readers?***
M.E : My name is MASKED ENTITY (M.E.) and I am 63 years old. I have completed my Higher Secondary Certificate (class 12th). I am the sole proprietor of KLM.

Team **GSCF** : ***How long have you been a part of the road transport sector? What inspired you to be a part of it?***
M.E : My father had been running the business for nearly 30 years before I joined him. Over time, he began to struggle with managing its growth. The management systems were weak, and a significant portion of our earnings was being siphoned off by the staff, which sharply reduced our profits. After seeing this, I entered the business in 1984 to help stabilise and expand it.

So, in essence, I stepped into this field more out of necessity than by personal choice.

By the end of this year, 2025, I will have spent **over four decades** in the road transport sector.

Your business journey - 1984 to present...

Team **GSCF** : ***Which route primarily marked the beginning of your business journey?***
M.E : Our primary route since 1984 has always been the Mumbai–Hyderabad route. Mumbai was known as Bombay before.

Team **GSCF** : ***Which business segment was your first client from?***
M.E : My first client was from the steel industry. At that time, the steel company that I was serving did not have a slitting facility. Moreover, each imported coil weighed approximately 10-12 tonnes, which we could not transport directly. Therefore, the imported HR steel coils were first taken from Bombay Dock to a slitting company in Mumbai, where they were cut down to manageable sizes of approximately 2-3 tonnes each or according to client specifications. Our responsibility was then to transport these sheared coils from Mumbai to our client's godown in Hyderabad.

Team **GSCF** : ***Businesses need healthy cash flow to operate and grow. What strategies did you adopt to manage and sustain your cash flow initially?***
M.E : Initially, we invested our personal savings into the business. Later, we approached private financial institutions and friends and family for the maximum required amount at higher interest rates. Gradually, we repaid and began building our own capital. Over time, this reduced our dependence on external financing.

Team **GSCF** : ***How did you meet the trucking requirements when you started out?***
M.E : I entered at a time when the company was already facing huge losses, having lost over 75% of our business clientele - a situation that continued until 1987. Those were very difficult years, and we were catering only to walk-in customers. Then, in 1987, by a stroke of good luck, we secured a transport contract from a reputable company in Hyderabad. After that, we began receiving numerous contracts, and business started to improve, along with our financial situation. This allowed us to purchase our first truck in 1988. Prior to 1988, we had been outsourcing all our trucking requirements.

Team **GSCF** : ***After purchasing your first truck in 1988, when and how many trucks did you add to your fleet?***
M.E : Between 1988 and 1990, we purchased 7 trucks. By 1994, our fleet had grown to 15 trucks, and by 1998, it had further expanded to 27 trucks.

Team **GSCF** : ***As a road transporter, do you have godowns and management offices in multiple locations?***

M.E : Yes, we currently operate three godowns, located in Mumbai Metropolitan Region (MMR), Hyderabad, and Pune.

Our management team operates out of three offices located in Mumbai, Hyderabad, and Pune.

Team `GSCF` : ***Is it possible to meet a client's trucking requirements without owning a truck or a fleet?***
M.E : Very much! A client's trucking needs can be fulfilled by outsourcing it to third parties, mainly freight brokers.

Team `GSCF` : ***Today, as a fleet owner...***
M.E :...we started to sell our trucks from as early as the mid-2000s. Currently, we do not own a single truck and operate as freight brokers.

Team `GSCF` : ***As freight brokers, do you not carry any operational risks?***
M.E : We do have risks - our primary risk is that the material must reach its destination on time.

Team `GSCF` : ***What led you to sell your fleet?***
M.E : For some time in India, I would say mid-2000s onwards, a clear pattern has emerged - trucks usually move from point A to point B with a full load. But at the destination, it is often a struggle to find an adequate return load, either back to point A or onward to another location, say point C. As a result, drivers end up being stranded at the destination for several days.

And, even when a return load is eventually arranged, there is no proper *freight accumulation* to make the trip financially viable.

For transporters like us, who worked on fixed routes, this became a serious problem. Many of us started selling our trucks. We couldn't keep up with the loan instalments, and we couldn't afford to pay *bhatta* (drivers' allowances). So what was the point of maintaining the vehicles? That's why we sold off our fleet.

Operations of the road transport sector - A view from the ground up

Team `GSCF` : ***What do you mean by freight accumulation?***
M.E : By freight accumulation, I mean the imbalance in the earnings that doesn't even cover the cost of the return journey - whether back to point A or onward to another destination, like point C.

For instance, the freight rate from Mumbai to Hyderabad is INR30,000. But on the return journey, the rates may drop to INR15,000. In such cases, we often have no choice but to accept whatever load is available - even full truck loads - at these lower rates, too. Essentially, the goal is to at least recover fuel costs, because any additional expenses must anyway be absorbed by the truck owners.

Team `GSCF` : ***Even though the return journey from Hyderabad to Mumbai covers roughly the same distance, why do freight rates fall on the way back?***
M.E : Freight rates in the road transport sector are dependent on the demand and supply of trucks. If the demand for trucks exceeds supply, rates will be on the higher side. Conversely, if the supply of trucks exceeds demand, freight rates will be on a lower side - sometimes hitting our baseline earnings too. This is essentially how the transport sector operates.

Team `GSCF` : ***How does the demand and supply pan out in the hierarchy of trucking operations in India?***
M.E : Let me explain this to you with an example.

A full truckload of pens needs to be transported from Mumbai to Hyderabad. The pen manufacturer outsources this requirement, through a contract at a fixed freight rate, to a trusted and verified transport partner - either a *fleet owner* (A) or a *freight broking agent/freight broker* (B).

However, A may not always have the required number of trucks to meet the manufacturer's demand.

Both A and B approach a *trucking agent* C with their client's trucking requirements. C maintains a database of *individual truckers or small truck operators* (D), who have registered details such as truck numbers, preferred cargo types, and destination routes.

Upon receiving a request from A and B, C contacts D with the finer details - for example, the vehicle's roadworthiness. If all requirements are met, C - depending on the demand for trucks operating from Mumbai to Hyderabad - negotiates the freight fare with A/B. When demand on this route is high, C pushes for a higher freight rate. Conversely, if demand is low, A/B negotiate to bring the fare down. Once negotiations are settled, C directs D to proceed to the loading point in Mumbai.

In this arrangement, D pays a nominal commission to C. Previously, this commission was around 7%, but competition among trucking agents (i.e. C in this example) has reduced it to approximately 1%-2% per trip per truck.

The pen manufacturer is not involved in the negotiations between A/B and C. Similarly, A/B have no role in the negotiations between C and D.

After the pens are unloaded in Hyderabad, A/B pay the agreed freight fare to C.

Team `GSCF` **:** ***You mentioned that the pen manufacturer will pay you a fixed amount per truck as per the contract. So, suppose today, the market freight fare for transporting a full truckload of pens from Mumbai to Hyderabad is INR70,000, but your contract rate with the manufacturer is INR30,000. Would you then have to cover the difference of INR40,000 from your own pocket?***
M.E : The contract between the pen manufacturer and A/B technically insulates the manufacturer from market fluctuations in freight fares. In that sense, A/B are expected to bear the difference. Previously, to maintain our business reputation, we (A/B) would even cover that cost. However, at present, there is no such system or expectation in place.

Team `GSCF` **:** ***Why is that so?***
M.E : Earlier, there used to be a written agreement (contract) specifying the nature and scope of business such as (1) the type of material to be transported; (2) payment terms - within how many days the payment would be done; (3) the truck reporting time - the truck must arrive at the factory in the morning after the indent is raised; (4) delivery schedule - within how many days the delivery must be completed; (5) provisions regarding damages - any losses would be deducted accordingly; (6) termination clause - if any problem arose in the business, either party could terminate the contract with 30 days notice; (7) arbitration clause - for dispute resolution; and (8) a mutually acceptable rate chart.

These contracts are even made today. But nowadays, contract values are not like they used to be.

Team `GSCF` **:** ***And why do you think that nowadays contracts hold less value and meaning when compared to earlier times....?***
M.E : A bidding system for the road transport sector has been introduced, where contracts were awarded to transporters offering the lowest bid.

Initially, the bidding system was more of a trial, both for the company and the road transporters. It never really gained traction because companies preferred to work with road transporters with whom they had already built a trustworthy and reliable relationship over the years. In practice, the transportation was still carried out by the same set of transporters, despite the existence of a "bidding system".

However, over the last 7-8 years, the bidding system has grown significantly, and its impact on the industry has been substantial. By impact, I mean that once healthy margins have turned negative now, creating a major drawback of the online bidding system.

Now, there is a mindset among companies to reduce transportation costs, focusing on minimising their logistics expenses rather than maintaining fair rates. For example, if a service initially costs INR5, companies try to bring it down to INR3. Then, if a qualified student enters the picture, he might suggest it can be done for INR1.5. Even though the service is being offered at INR1.5, the company doesn't really consider the problems or challenges faced by the transporters. This is how businesses are being operated today.

Relationships have undergone a sea change - operating from a space of trust, it has now moved onto being purely transactional in nature.

Team **GSCF : *Now let us assume that you have signed a contract with company PQR for INR70,000 to transport a load from Mumbai to Hyderabad — roughly 650km. You would need around 65litres of diesel for that trip. Now, if diesel prices suddenly go up - you know, because the dollar rises or international rates for diesel change - by INR10 more per litre, your fuel cost shoots up. In that case, does your contract include a clause to account for fuel price changes?***

M.E : It depends. If the price fluctuates within INR5 - up or down - then we absorb it and nothing changes. But if it goes beyond INR 5, we take it back to the company PQR. As per the contract, the freight rate gets revised, and they cover the difference.

Team **GSCF : *With global supply chains shifting where multinationals are increasingly looking into India, has this translated into higher demand for road transport services? In the grand scheme of things, have road transporters benefited from this global change?***

M.E : Road transporters have benefited to some extent. In the sense that earlier, most of the cargo used to come mainly through Mumbai port, so there was a lot of demand for transport services here in Mumbai. Now, with goods being routed through multiple ports — Chennai, Mangalore, Kandla, Kolkata, Paradip — the load is more spread out. In that sense, the distribution of cargo across several ports has been helped by spreading business opportunities.

But has this shift increased freight rates, and therefore, improved profit margins?

Not sure.. Because the corresponding rise in freight rates has not translated into higher profit margins for us. We continue to operate on wafer-thin margins. The core dynamics of the road transport sector largely remain the same.

Team **GSCF : *Adding to that - the movement of goods is a real indicator of what a country is producing and consuming. So, if you look back to 1984, compared to today, how has the nature of what you transport changed over the last 40 years? What did you carry back then, and what do you move now? Earlier, for example, you transported more everyday products like Colgate. Now, you're moving things like wind turbines. Have you observed this kind of transition?***

M.E : It is difficult to observe a shift, that is, if there is a shift, if I may say. The reason is that earlier, everything moved from one hub, so we knew how much material was consumed from that one location. But when labour issues started, industries began spreading out. Then, with the introduction of SEZ zones, companies started setting up factories in different locations. So transportation too became decentralised. Today, goods are moving from different places.

Team **GSCF : *How has India's road transport sector changed since the 1980s — especially in terms of competition, profitability and payment***

practices?

M.E : Back then — around 1984 to 1988 — transportation was far less competitive. There were fewer operators, so transporters had better standing and respect in the market. Earnings were healthier. Today, while the overall volume of goods has definitely increased, it is widely scattered across India. Freight rates have also gone up, but profit margins have become extremely low.

Another major difference is payments. In the 1980s, clients would settle dues quickly. Today, many delay payments — and in some cases, they don't pay at all.

Even though MSME laws mandate payments within 45 to 90 days, most transporters hesitate to enforce them, fearing the loss of future business. In the bargain, we often remain silent and end up waiting much longer than legally required - sometimes even risking non-payment altogether.

Earlier, client-companies were stable; no one worried about clients shutting down. Today, there's no certainty - a client-company can close business overnight. When that happens, the loss for the transporters is very, very high. And there's no proper legal system in place to help transporters recover bad debts after a client-company shuts down.

Team `GSCF` **:** ***But isn't there the IBC (Insolvency and Bankruptcy Code) to fall back on?***

M.E : What will the IBC do? The process begins with an auction of the company. If another company takes over, it usually happens at a lower price. The first settlement priority is always the banks — they get their dues cleared first. After that, the labour dues are settled, then the management staff, and only then come the vendors and the transporters. There is no money left to be paid to the transporters.

Back then, there was no Insolvency Act. In many ways, that actually worked to our advantage — even if payments were delayed, we eventually received them.

Since the introduction of the Insolvency Act, the situation has changed drastically. If a client-company shuts down and a transporter is tied primarily to that single client, the transporter can also face closure, as their dues vanish along with that client.

When a client-company dies, a road transporter also dies.

Team `GSCF` **:** ***When it comes to firm exits in the road transport sector, how was the competition among transporters in 1984 when compared to today? Were fewer transporters shutting down?***

M.E : In the 1980s, fewer road transporters shut down than today. The sector was unorganised then and remains so now. But, what has changed over the decades are the circumstances around firm entry, competition and attitude towards business risks.

At that time, most salaried workers didn't have the courage to start their own transport business. They already knew the challenges: large capital requirements, delayed payments from clients, and all kinds of uncertainties. Their thinking was, "*This business needs huge capital—we don't have that kind of money.*" So they were afraid to even set up a transport business.

Out of 10 people, maybe only 3 would take the risk and raise funds—borrow from friends, sell agricultural land, do whatever it takes—and start a transport company. Those 3 would typically manage to grow because competition was limited too.

Contrast that with today: if there are 10 transporters now, within six months you will see 10 more enter the market. As a result, competition has intensified, and business exits have become more common. Today, that fear has disappeared. The mindset is very casual: "*If the business works, good. If it doesn't, shut it down.*" There is no law stopping businesses from shutting down because transporters operate without any licence. And without a license, we are not even recognised. We are technically a non-recognised sector - yet we are the backbone of India.

Team `GSCF` : ***Are firm exits higher now because there are many more small players than before?***
M.E : Amongst other reasons, firm exits are typically higher now because there are many more smaller players than before.

Team `GSCF` : ***So these players are typically truck owners..***
M.E : It's not just truck owners - there are many more freight brokers now, too. For every new truck owner that enters the market, you'll see around three new freight brokers come in as well.

Team `GSCF` : ***Could you possibly shed some light on how firm entry and exits are happening in the road transport sector?***
M.E : Let me illustrate this with an example - I have five employees, each earning between INR15,000 and INR25,000 a month. But what do people focus on? They only see that a truck owner supposedly makes INR10,000–INR15,000 per truck. They ignore everything else - the cost of the vehicle, the owner's management expenses, the investment he has made, the interest he has to pay, what remains after all these deductions and the liability in case of an accident. They don't understand the actual demand–supply dynamics of the road transport sector. Their entire assessment is: "*The owner earns INR10,000 per truck. We'll go to the same company and offer to work for INR8,000. We'll still get our INR8,000.*"

But think about this: if that former employee manages to get work from a client-company and fills 20 vehicles, how much does he earn? Around INR1,50,000. When he can make INR1.5 lakh like that, why would he want to remain in a salaried job earning INR25,000?

What happens next? One of my employees decides to start on his own. He doesn't have capital, so he borrows from a friend or gets into a partnership with a financier — "*You invest the money, I'll give you 40%, and I'll keep 60%.*" Somehow, he scrapes together enough to buy two trucks.

Then he approaches one of my client-companies and quotes an undercutting freight rate. Suppose the Mumbai–Hyderabad freight is INR30,000. He offers the client INR25,000. And this pricing behaviour opens the door for the client-company to further exploit transporters by pushing rates even lower. What does the client-company do? He switches from me to my former employee and starts moving freight at INR25,000. The client-company benefits, and I lose 100% of that business.

But here is what the new market entrant does not see: his model is only sustainable while there is less demand. The moment demand is high, he will not survive. The client-company will try to push the transport job to the new entrant at competitive rates, but once he is not able to do so, then the client-company shifts to a new or previous transporter to transport the goods to avoid losses.

Team `GSCF` : ***What are the challenges for road transporters once the trucks are on the road?***
M.E : There are many challenges. Let's start with truck breakdowns. Earlier, truck engines and most components were purely mechanical, which meant breakdowns could be repaired quickly by roadside mechanics. As such, breakdowns were not a major concern back in the day, because help was widely and easily available. In contrast, today's trucks are equipped with electronic components and ECU mapping systems. This requires computer diagnostics and specialised equipment, which are only accessible at authorised service centres. As a result, breakdowns now cause longer delays and are far more difficult to manage on the spot.

Team `GSCF` : ***Apart from truck breakdowns...***
M.E : I remember when I entered the business in the 1980s.. trucks from Kolkata to Mumbai avoided Bihar and went through Odisha to save time. But overloaded trucks

couldn't go through Odisha because of strict penalties. So they went through Bihar and often stopped at Gaya. There was a police booth there — I don't know if it still exists. At that booth, money - INR5 to INR20 - was collected from every truck. Then, police jeeps would escort a convoy of about 15 trucks at a time to the next safe point.

Highways didn't exist; only regular village roads were there. Trucks had to pass through risky areas. Dacoity happened in Rajasthan, Madhya Pradesh, Andhra Pradesh. That's why the convoy system existed — 15 trucks at a time. Drivers were instructed to use restrooms only at designated points; they weren't allowed to stop en route. Distances between safe points ranged from 15 to 50 km, depending on the area. Earlier, even in Assam, trucks had to pay what was known as a "*Goonda tax*".Some of these practices still exist in certain areas today. If you don't pay, you are done.

Even after so much advancement, nothing is getting abolished.

Team **GSCF** : ***And what happens if a truck is lost in transit?***
M.E : If a vehicle is lost, road transporters first try to trace it. In cases where it is damaged due to a natural disaster, transporters file an FIR at the local police station and inform the client-company. The client-company then notifies its insurance company. A survey is conducted, and along with the FIR, transporters provide a *Certificate of Facts*. After this process, the insurance company settles the claim with the client.

Team **GSCF** : ***So once the client receives the insurance settlement, is your role over?***
M.E : Strangely, no. The insurance company approaches us for settlement, claiming the damages occurred "this way or that way." How can we cover such claims when our margins are very less and the damages or losses are huge? The insurance company tries to compensate the losses from the concerned transporter by settling with some percentage or fixed amount as agreed by both parties.

Transporters do not have much knowledge about the claim that arises for loss due to natural disasters. For losses/ damages in transit, transporters typically bear a certain portion of the loss, which is deducted from their payment. If any amount above this threshold, the client-company raises the claim with their underwriters for recovery.

Team **GSCF** : ***Are there no tracking systems?***
M.E : Yes, tracking systems such as GPS (Global Positioning System) are not only available in India but are now extensively used for monitoring truck movements. However, the effectiveness of these tracking systems is largely limited by real-world constraints. For instance, if a truck enters a village with no cellular coverage or if the tracker's GSM antenna loses signal, the GPS device is unable to transmit its location. The truck, effectively, becomes untraceable in real time. Furthermore, so many drivers deliberately tamper with the system - by disabling the power supply, removing a wire from the device or removing the whole device altogether - thereby defeating the very purpose of GPS tracking.

In my opinion, there is no meaning of GPS at present in India.

Team **GSCF** : ***No meaning.. That might be a bit strong.. Is there a way to overcome the shortcomings in GPS-enabled truck-tracking?***
M.E : About 20 years ago, in Pune, an officer at a company, Mr ABC, spoke to me about GPS technology and its potential benefits for truck tracking. He planned to install GPS devices on their vehicles, and I told him plainly that it wouldn't work — at least not as he imagined. When the GPS is fitted as an external device, the device is under the driver's control. You may install it, but you still won't know the vehi-

cle's true location once the driver interferes. At that time, I had told him that truck manufacturers should integrate GPS as an in-built, engine-linked system. The device would then power on automatically with the vehicle and track its position in real time. Because it would be embedded, the driver would find it very difficult to tamper with or remove it.

From my experience and through market knowledge, today, many large fleet owners and third-party service providers have installed GPS devices. Yet, they often struggle to track the exact location of the truck.

Team **GSCF : *So, what you are saying is that not everyone has installed GPS systems in India yet?***
M.E : That is correct - not all vehicles have GPS installed. In my opinion, GPS days will soon be over. Today, all expressways and toll gates use FastTag, which provides instant information to the vehicle owner - the toll amount is deducted, and that his vehicle has crossed this toll gate at this time. For example, if the truck has crossed Toll point A but has not crossed Toll point B, it must mean the vehicle is stalled or stopped between the two points.

This method effectively serves as a basic tracking system - milestone-based and manual, offering insights into truck movement without relying on GPS. Though with the GPS, the exact real-time location of the truck can be known. These tracking systems are only as effective as the truck driver wants. One must understand a crucial truth about this business: "**..the whole business rests on the truck driver..**".

Team **GSCF : *Why do you think the whole business relies on truck drivers?***
M.E : See.. once the truck is loaded and the driver sets towards the destination, he is technically unmonitored along the route. He thinks he is the king of the truck. At that point, it is entirely in his control, and we cannot do anything about it. At that moment, everything depends on the truck driver - his attitude and capability. A competent, motivated driver can cover the 650 km stretch from Mumbai to Hyderabad in 14-16 hours. But if the driver decides, "*..mujhe jaldi nahi jaana hain (I don't want to hurry)..*", the same journey may take anywhere between 36 and 48 hours.

We, sitting in our offices, cannot afford to say anything to the truck driver while he is on the highway; he may simply abandon the truck along with the goods. Today, the reality is that the number of trucks far exceeds the number of available drivers.

The whole business is truly on the truck drivers.

Team **GSCF : *Interesting that you mention the shortage of drivers... even the Economic Times reports that for nearly 6 million trucks operating on Indian roads, there are only around 3.6 million drivers to run them. With such a glaring gap, the sector is clearly in a state of chronic shortage. What, according to you, are the key reasons behind this shortage of drivers?***
M.E : The shortage of drivers has been ongoing since as early as 2007.

Truck drivers in India mostly work on a contractual basis. They are usually paid per trip, and only a very small number are on fixed salaries. When trucks are stationed at a particular point, for instance, at the loading point, drivers are given *bhatta*. But beyond this, they receive no sector-specific benefits.

For example, transporting a full truckload from point A to point B, a driver is paid a fixed sum, say INR30,000. Out of this amount, the driver must cover fuel, food on the road, and his own commission. After unloading at the destination, he often has to wait for the return load, which can take 8 to 10 days, sometimes even longer. During this waiting period, he is only on *bhatta*.

Now, how can a truck driver sustain

himself in such conditions? Even if he manages to survive on the *bhatta* while waiting, what does he send back home to his family? In reality, drivers' earnings are inadequate to support both their own expenses on the road and the needs of their families. This is one of the key reasons for the shortage of drivers.

Team **GSCF** : ***When there is a shortage of truck drivers, how does a transporter navigate or manage this crunch when it hits your operations? For instance, if a transporter has 10 trucks but only 8 drivers, do they have a backup driver per truck?***
M.E : If there is a shortage of drivers to begin with, where would the backup driver come from? If two trucks are idle because of no drivers, then transporters have to, in all likelihood, outsource the trucks. One simply cannot get drivers otherwise. When we outsource a truck, it usually comes with its driver.

Team **GSCF** : ***Because of the shortage of drivers, transporters outsource trucks from the market. How does this affect their bottom line?***
M.E : It is not as straightforward as it seems - it is almost like a game. Let me explain. For example, the actual operating cost of a truck on a particular route is INR50,000. However, just to ensure that their own trucks are running daily — because an idle truck earns nothing, road transporters, in reality, take contracts from companies at minimal margins, say INR53,000.

Now consider this scenario: two of my trucks are standing idle because of a driver shortage. But in the market, someone else is offering trucks at INR55,000. I will still hire those trucks at INR55,000, even if it means incurring an INR2,000 loss per truck. The logic is that the profits generated by my remaining eight running trucks will offset this INR4,000 loss overall. But this approach is fundamentally flawed as it ignores annualised costs and essential overheads such as management expenses. Very few people follow this discipline. Most road transporters believe that "*As long as my trucks are moving and payments are coming, I have no tension.*"

This operating model leads to heavy losses due to stiff competition. Eventually, road transporters are left with only two choices — either terminate the contracts with the client-companies or continue operating at a loss.

Team **GSCF** : ***Apart from the shortage of truck drivers, do you also face difficulties in hiring management staff? And how would you describe the quality of staff today compared to earlier?***
M.E : Yes, there is always a shortage of management staff. Earlier, we could hire staff for INR10,000–INR12,000, but now we can't find anyone even at INR25,000. On top of that, the quality of staff was definitely better earlier than it is now.

Team **GSCF** : ***Truck drivers are becoming fewer by the day - and understandably so. As you pointed out and as our own understanding confirms, they are the first casualties of a deeply plagued system. Yet their experiences are rarely a part of public or policy discussions. From long waits and unsafe halts to physical strain and lost income, the burden falls squarely on them. Against this backdrop, how do you hire them?***
M.E : Every truck was required to have one driver and one cleaner. But over time, the number of cleaners started declining. They weren't getting enough *bhatta* (daily allowance), so fewer people were willing to join as cleaners.

One must first understand why people entered this industry as cleaners in the first place. Cleaners came with the intention of becoming drivers one day — the drivers used to train them as the next in line. At that time, getting a driving licence was easy, so a cleaner could quickly move up. But today, getting a licence is difficult. You need address proofs and documentation across multiple places. So they don't want to go through that process.

Secondly, back in the day, drivers' children were not educated. Today, they are educated — and they don't want to enter this line of work.

Team **GSCF** : ***How do you train and retain the drivers?***

M.E : There was no formal training — not then, not now. Whatever was done was only as per RTO norms. See, the quality of drivers available today is not what it used to be—the current pool is generally less capable.

Back then, drivers had a lot of respect for the owners. They saw the owner as a kind of *God*, and the vehicle as *Lakshmi* — their source of livelihood. So they stayed loyal. They wouldn't leave unless the owner abused them or spoke very harshly.

If a driver made a mistake — say, drinking on duty — the owner would fire him. Only then would he go to another transporter. And even then, other transporters wouldn't hire him easily; they would first verify his reputation. But if they were short of drivers, they would eventually take him in.

Back then, an owner's reputation carried weight. Today, that's not the case. Reputation doesn't matter — drivers want money on their terms. If you refuse their demands, they'll simply park the truck and walk away.

Team **GSCF** : ***Do you think India needs vocational or skill training programmes at the lower level — to train new drivers or improve existing ones?***

M.E : Some companies have done it, some haven't. A few multinational companies organise one or two seminars a year — basically training programmes for drivers. They'll teach things like driving only during certain hours, not driving in certain areas and maintaining a particular speed. But honestly — no driver listens.

Team **GSCF** : ***Why do drivers not follow the training, according to you?***

M.E : According to the training offered, they must start the vehicle at 9am and stop by 6pm, no matter where they are. Then, only start again at 8am-9am the next morning. They're told to drive only at 40km/h. At that speed and with only 8 hours of driving, how much distance can they cover?

India's road infrastructure and transport ecosystem are distinct in many ways. For instance, when trucks are loaded within city limits, transit time increases significantly because navigating congested urban roads before even reaching the highway is slow. Then there are no-entry restrictions on highways that cut through cities. Earlier, many highways used to pass directly through villages. This posed serious risks — what if a child or an elderly person suddenly crossed the road?

Although bypasses have been built to address this, many drivers still choose to go through the city. They believe that taking the bypass costs more than staying on the highway that runs through urban areas.

In India, maximum distance is covered at night. And even today, night driving is risky. Earlier there was a lot of looting and dacoity. Today it's less — but still exists.

If they follow the training provided, they won't reach on time.

The breath of the road transportation sector - Infrastructure

Team **GSCF** : ***India's road infrastructure may be distinct.. The expansion over the past decade is at an unprecedented scale. To put the pace and magnitude of this growth in perspective, the Government of India reports***:

1. The budget for road transport and highways increased by **570%** between 2014 and 2023–24.

2. Investment by the Ministry of Road

Transport and Highways in infrastructure grew **6.4** times between 2013–14 and 2024–25.

3. The pace of national highway construction rose from **11.6km** per day in 2014 to **34km** per day in 2025.

4. The total length of National Highways increased by approximately **60%**, from 91,287km in 2013–14 to 1,46,204km as of March 31, 2025.

M.E : When I entered the business in the 1980s, despite the challenges, it used to take around three days for a truck to travel between Mumbai and Hyderabad in either direction. Remarkably, even in the 2020s, despite significant infrastructure expansion, it still takes roughly the same time for trucks to cover this route.

Team **GSCF :** ***Are you saying that in spite of the infrastructural development across the country - for example, improvements in road quality and more lanes - the time taken to travel from point A to point B in India remains the same?***
M.E : Very much! The travel time remains approximately the same. For instance, the travel time from Mumbai to Hyderabad over the years - in 1988, 1993 and even today, in 2025 - is still around 3 days.

Team **GSCF :** ***What about the new expressways.. have they benefitted you?***
M.E : Expressways - whether those already built or the new ones under construction - are 100% beneficial. Even with the additional toll charges, they are absolutely worth the money.

Team **GSCF :** ***Then...***
M.E : To some extent, infrastructure has improved, but it's not uniform everywhere. India is growing with the current infrastructure, so challenges will naturally arise. In the long term, these issues will be addressed, and things should improve. Honestly, in the last 10 years, little has changed in local infrastructure. Yesterday, a staff member sent us a video showing a **10 km-long traffic jam in Bhiwandi, where vehicles face a 10-hour wait** to move through the area.

Now, why do you think this is happening? If we look at Bhiwandi, the Bhiwandi Municipal Corporation has not properly planned its infrastructure. Many of the warehouses were built without considering future traffic flow, so congestion was inevitable. Attempting to reorganise it now is difficult because local residents often resist changes. And metro rail work is ongoing, which adds to the congestion. This situation reflects a broader failure in governance. The government should recognise that Bhiwandi is a major hub for warehouses and truck movement, and either outsource planning to specialised agencies or appoint them to improve infrastructure. Instead, the government shows little concern. They know people are stuck for 8–9 hours daily, yet nothing is done. If the government takes the right initiatives, improvements could happen quickly — even in a day. It depends on their willingness to act.

Team **GSCF :** ***Seriously? 10-km-long traffic jam? 10-hour wait? So this must be frustrating and costly...***
M.E : Yes. Goods are delayed reaching or leaving our warehouse — how can they arrive on time with this situation?

Team **GSCF :** ***And what is the impact?***
M.E : It's 100% clear — goods are delayed by 1–2 days, fuel efficiency suffers, and drivers are frustrated.

Team **GSCF :** ***Do the freight charges go up as well?***
M.E : Indirectly, yes. Drivers avoid congested areas because standing in traffic all day is exhausting. When they refuse to go, freight charges rise, material gets delayed, and transit periods increase.

Ultimately, the whole system becomes inefficient.

Government policies - impact and implications

Team **GSCF** : ***You mentioned earlier that transporters are poorly protected under existing laws when it comes to payments. With the introduction of the National Logistics Policy and the logistics sector being granted infrastructure status, has there been any real trickle-down positive impact on the road transportation sub-sector - a critical foundational link in the logistics chain ?***
M.E : First of all, road transportation is not the same as logistics. Logistics refers to the entire chain, from production to the final delivery of goods. Road transport is just one link in that chain. On top of that, road transportation is a purely service-oriented business. Second, granting a sector infrastructure status is not the same as recognising it as an industry. And to this day, the Government of India has **not** recognised road transportation as an industry in its own right.

You'll hear many influential people in our sector claim that road transport has already received industry status. My counter question is simple: if that's true, why don't banks offer us direct loans? And I'm not talking about loans to buy trucks — I'm talking about **working capital loans**. Let's say a road transporter applies for working capital. Under which industry classification does the bank process that application? What official notification exists for the bank to refer to? And based on that, what interest rate applies to us?

Compare this with the film industry. If a filmmaker walks into a bank and asks for INR100 crores to produce a film, the bank is ready to finance it—because the film sector has been officially recognised as an industry. But if we, as transporters, go to the same bank and ask for something as basic as a credit card, we are turned away. Why? Because road transportation is **still not** recognised as an industry.

As for the National Logistics Policy - what is it? I haven't even heard of it to date.

Team **GSCF** : ***Why do you think that the road transporters have not been given an industry status?***
M.E : As I understand it, the government hasn't conducted enough research on the road transportation sector. Because of this, they don't know how to recognise road transportation as an industry.

The road ahead...

Team **GSCF** : ***Let's talk about start-ups and aggregators. How have they disrupted the trucking sector? Have their operating models — like Rivigo's relay trucking concept — actually benefited market participants such as truck drivers?***
M.E : I feel that the start-ups and aggregators are exploiting the entire transport sector, and in the process, they are hurting the older players/transporters. They claim to provide reliable service, but in reality, that is not often the case.

For instance, you give them a load from Mumbai to Guwahati, and the first time they manage to deliver it in three days. You're happy. The next time, you give them the same load, and it takes fifteen days. You complain, but it makes no difference to them.

And who suffers in this process? The old transporter — the one who has been handling your loads for the last fifteen years. You stop giving him business and switch to these start-ups or aggregators.

Secondly, these start-ups have raised massive funds, whereas older players/transporters don't have that kind of financial backing. When this imbalance continues, how long can the old transporters survive?

Start-ups and aggregators have disrupted the market - but not necessarily for the better. The road transportation sector in India has its own nuances, which one learns only through years of experience. Yet, despite all those years of learning, today, we are unable to leverage that experience to our own benefit anymore. It feels like exploitation.

You mentioned Rivago. In my opinion, Rivago's truck-relay model was very good if they had considered freight accumulation. For example, Rivigo would start a load from Gurgaon, and the truck would reach Jaipur in six to eight hours. At Jaipur, there was a hub where the driver changed, and the next one took over. The same cycle continued every six to eight hours, and the truck would reach Mumbai in about eighteen hours. On paper, it was an excellent idea.

But how much was the truck actually earning? Around INR40,000–INR50,000 at best. Now, divide INR50,000 across 18 hours — what's the per-kilometre rate? Plus, often, you'd send a truck out but wouldn't get the required freight for the return trip. In other words, there was no freight accumulation. The relay system did have its advantages — drivers got proper rest, accidents were reduced, and trucks arrived on time. But where was the freight volume needed to make the system profitable? It simply wasn't there. For example, a truck going to Bangalore often had no return load from there. Think about it — paying each driver INR30,000 (monthly) for an eight-hour round trip, with multiple drivers at every hub... the costs were massive.

In my opinion, if there had been enough freight accumulation, the relay system could have succeeded.

Team **GSCF** : ***How do you see the road transport sector evolving in India, in the coming decades?***
M.E : First of all, the road transport sector will never be fully recognised. That is guaranteed. Secondly, within the next 15 years, traditional transporters will almost disappear. Here's why: logistics is evolving. Many transporters have shifted to end-to-end logistics, essentially morphing into full-service logistics providers.

Take a big automotive company, say BIG-G. Their suppliers of brake liners and other parts are given 10-year contracts. Whatever BIG-G needs, the supplier is instructed to pick it up from point A and deliver it overnight to point B. Why? Because inventories have shrunk to almost zero. Earlier, companies maintained large inventories. Today, with near-zero inventory, goods must move fast. Those who can deliver quickly are the ones who command charges.

Another major change is the rapid expansion of railways. Large companies engaged in end-to-end production are now integrating rail connectivity from their production facilities. For example, the railway currently reaches Gurgaon, while an automotive company XYZ's plant is in Manesar. XYZ arranges the railway connection between Gurgaon to Manesar. In return, they negotiate over freight charges for a stipulated time frame contract. They recover their investment through these savings.

Now, suppose they need to transport 100 cars to Mumbai. They can take an entire train rake, load 100 cars, and send it directly. This bypasses road transport entirely.

Benefits of this system: No damage during transport; No bribery or corruption; No risk of looting or dacoity; and goods arrive on or before the scheduled time. There are still some limitations — for example, a missing third railway line in certain areas — but the government gives priority to freight trains, allowing them to pass before express trains whenever possible.

Team **GSCF** : ***But last-mile connectivity will always be required...***
M.E : Last-mile connectivity would then local road transportation... Interstate transport will be reduced dramatically. Only machinery or materials of extraordinary size will still need road transportation. Within 15 to 20 years, transportation as we know it will be almost extinct in India.

The third railway line has already started. They've begun building connectivity in full swing. The government tried to complete the same in a shorter period so that it could generate revenue at the earliest.

Team **GSCF** : ***In the future, do you think electric vehicles will become a part of the trucking industry?***
M.E : They already are.

Team **GSCF** : ***Do you think they will eventually overtake conventional trucks?***
M.E : Not until the right ecosystem is in place, which requires: 1. Proper infrastructure for electric vehicles; 2. Mechanics have to be trained to repair them; 3. Spare parts must be easily and reasonably available.

Team **GSCF** : ***Suppose this ecosystem is created — would you consider it a better option than before?***
M.E : Absolutely, 100%. Freight costs will come down significantly. From what I understand, the freight rates could become comparable to railways — maybe a little higher.

Team **GSCF** : ***What tools or platforms - apps, software, skill training - do you wish you had 10 years ago?***
M.E : Recognition of the road transport sector as an industry is what matters most. Skills will develop naturally over time. As for software, the tools we truly need don't even exist today. Most big software companies focus on logistics, not transport, because they don't fully understand ground-level operations in our sector. Without that understanding, how can they create software that actually helps our sector?

Team **GSCF** : ***Drawing from your experience, how can the trucking sector in India be improved?***
M.E : In my view, for truckers to perform well in India, the first step is to recognise road transport as an industry in its own right — this is a fundamental requirement. Secondly, infrastructure needs to be strengthened beyond its current state. Thirdly, skilled drivers should be offered fair pay along with meaningful perks.

Recognising road transport as an industry will also eliminate unqualified or unregistered carriers from the sector. This ensures that, even within a bidding system, only approved and recognised transporters can participate, preventing underquoting and reducing exploitation.

Team **GSCF** : ***If you could give one key recommendation to policymakers, especially those shaping the road transport sector, what would it be?***
M.E : Recognise the road transport sector as an industry.

Team **GSCF** : ***If a 25-year-old fresher wanted to enter the transport business today, what advice would you give them?***
M.E : Honestly, he won't be able to do it — whether he's 25 or even 30. The reason is simple: the level of competition today is very different. Financial stability is crucial, and that's hard to achieve when starting. Secondly, manpower is a big challenge — finding reliable and skilled people is nearly impossible now.

Even if a young person joins and learns the business for four or five years, at some point, they'll feel they made the wrong choice and leave. Transport is not an easy line of work.

Team **GSCF** : ***When people — be it your clients, past and present or your employees — look back at your company, what would you like your legacy to stand for?***
M.E : Let me tell you, in this sector, no one really remembers anyone's legacy. And even if they do, it's usually not for the right reasons — people are remembered with a bad name.

Road transporters are never given priority, not for anything. Even though around

65%–70% of India's goods move by road, there's still no sense of pride or recognition for transporters. They keep working, they earn their living, but that's all it is — very transactional.

Team **GSCF** : ***After all these years, your journey speaks not just about the transportation sector but also about tenacity, consistency, change, character, and vision. What would you say is your proudest achievement in this journey?***

M.E : Honestly, we don't know anything beyond transport — this is all we've ever done. And maybe that's our biggest achievement. Even if we want to quit, we can't. Transport isn't just our work anymore; it's who we are.

Disclaimer: The above interview was conducted in person in August 2025 in Mumbai, India. The interview was conducted in English and in Hindi. And the Hindi translation has been verified by the interviewee. The views and opinions expressed in the interview are solely those of the interviewee/s and do not reflect the official policy or position of the publisher, our affiliates, and or any associated organizations. The publisher makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, or suitability of the information shared during the interview. The content of this interview is provided for general information purposes only and should not be construed as professional, legal, business, or otherwise. This interview has been published with the consent of the interviewee. We reserve the right to edit the interview for clarity, length, and compliance with editorial standards without altering the intended meaning or message.