

TRUCK FREIGHT RATES IN BENGALURU, CHENNAI INCREASED IN MARCH

The cost of transporting goods by trucks in Bengaluru and Chennai saw an uptick in March.

According to an analysis by Centre for Monitoring Indian Economy (CMIE), the rates were up 1–2 per cent, while it remained unchanged in other major metropolitan cities including Mumbai, Lucknow, Ahmedabad, Hyderabad, Trivandrum and Kolkata.

The expense is on a per kilometer basis for transporting goods using trucks with a capacity of 15 tonnes. It is calculated as the cost incurred per kilometre from Delhi to various cities in India.

The per kilometer cost of transporting goods using a 15 tonne truck rose six per cent to ₹96.3 from Delhi to Chennai. It was ₹91 last year.

The Delhi–Kolkata rate rose 3 per cent to ₹42.9 in March 2024 from ₹41.7 a year ago. The cost to Bengaluru rose 1 per cent to ₹42.3 compared to ₹41.8 in March 2023.

Freight rates from Delhi to Trivandrum have declined four per cent, while from Delhi to Jaipur, the decline was 10 per cent.

Vehicle registrations, which represent the retail sales, have increased across different categories. In March, there were 26,898 heavy goods vehicles that were registered, similar to last year.

Indian trucks typically travel an average daily distance of 250 kilometre to 400 kilometre, significantly less than the 700 kilometre to 800 kilometre covered by trucks in the EU and the US.

Furthermore, India's truck fleet is predominantly composed of smaller 16–to 25–tonne vehicles.

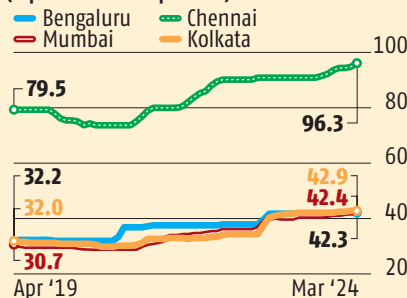
These factors inflate the total cost of ownership, leading to a substantial increase in transportation costs.

ASHLI VARGHESE



LOAD FACTOR FREIGHT RATES ACROSS MAJOR CITIES

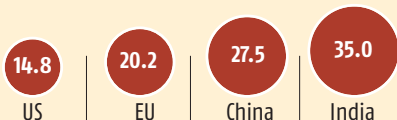
Truck freight rates per kilometre from Delhi to various cities (₹ per 15 tonnes per km)



Source: CMIE

Comparison to peers

Road freight performance – 2020 vis-à-vis empty running (%)



Note: Data is as of 2020

Source: Envisioning the Future of Indian Logistics@2047, EY