



LEADS Report 2021

Why in News

Recently, the Ministry of Commerce and Industry has released the **Logistics Ease Across Different States (LEADS) Report (Index) 2021**.

Key Points

▪ About:

- The **LEADS report** is aimed at gauging the logistics performance of **states and Union Territories (UT)** and identifying areas where they can improve logistics performance.
 - It was **launched in 2018**.
- States are ranked based on **quality and capacity of key infrastructure** such as road, rail and warehousing as well as on **operational ease of logistics** including security of cargo, speed of terminal services and regulatory approvals.
- The report is structured along the three dimensions which collectively influence logistics ease- **Infrastructure, Services, and Operating and Regulatory Environment** which are further categorised into 17 parameters.

▪ Need:

- India's logistics costs account for **13-14% of [Gross Domestic Product \(GDP\)](#)**, compared to 7-8% in developed countries.
- The government was aiming to **bring down logistics costs by 5%** over the next 5 years.
 - Estimated **logistics costs in India are currently about 14%**, which is quite high compared to 8-10% globally.
- **Efficient logistics was pivotal** to bring ease and empowerment to businesses as well as citizens.
 - Logistics contributed immensely in our fight against **Covid-19** by taking essential supplies including liquid Medical Oxygen throughout the country during the **2nd wave**.


▪ Ranking of States:

◦ Top Performers:

- **Gujarat, Haryana and Punjab** have emerged as the top performers in the LEADS 2021 index respectively.
 - This is the **third year in a row** that Gujarat remained on top of the rankings.
 - **Delhi** stands at the top rank among Other UTs.
- **North Eastern States and Himalayan Region:**
 - **Jammu and Kashmir** is the top ranker followed by Sikkim and Meghalaya.

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Top of the Class



STATE RANKINGS

- 1] Gujarat
- 2] Haryana
- 3] Punjab
- 4] Tamil Nadu
- 5] Maharashtra
- 6] Uttar Pradesh
- 7] Odisha
- 8] Karnataka
- 9] Andhra Pradesh
- 10] Telangana

PARAMETERS

Infrastructure: Road, rail, multi-modal, warehousing

Services: Service provider capability, road freight rate reasonability, cargo delivery timeliness

Regulation: Facilitation, ease of obtaining approvals, regulatory services efficiency

TOP IMPROVERS (IN RANK)

| | 2021 | 2019 |
|---------------|------|------|
| Uttar Pradesh | 6 | 13 |
| Uttarakhand | 13 | 19 |
| Jharkhand | 12 | 17 |

KEY SUGGESTIONS

Frame state logistics policy, master plan

Setup robust institutional mechanism

Single-window clearance system for logistics

Effective grievance redressal, dispute resolution mechanism

▪ Suggestion:

- States should **frame state level logistics policy & logistics master plan**, use **single-window clearance system** for logistics, establishment of **grievance redressal mechanism** and enable skilling in logistics through **State skilling infrastructure**.

▪ Related Initiatives:

- [PM GatiShakti Master Plan](#)
- [Dedicated Freight Corridor \(DFC\)](#)
- [Sagarmala](#)
- [Bharatmala Pariyojana](#)
- [E-Way Bill Integration with FASTag, RFID](#)

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