



# 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:

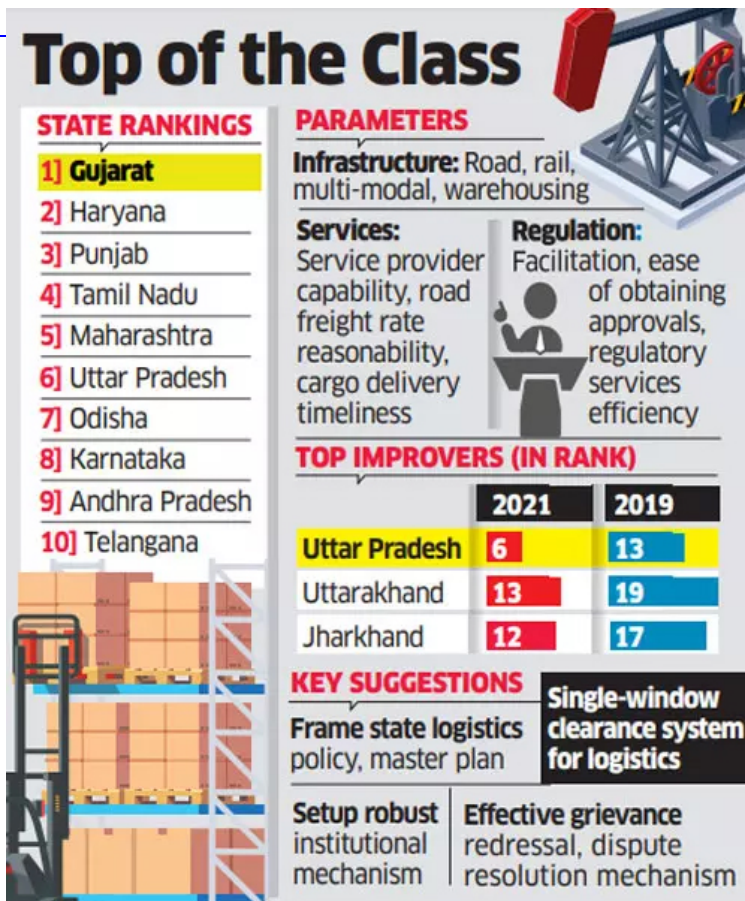
- India's logistics costs account for **13-14% of [Gross Domestic Product \(GDP\)](#)**, compared to 7-8% in developed countries.
- The government was aiming to **bring down logistics costs by 5%** over the next 5 years.
  - Estimated **logistics costs in India are currently about 14%**, which is quite 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 **2<sup>nd</sup> 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.

//



▪ **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](#)

**Source:IE**

PDF Reference URL: <https://www.drishtias.com/printpdf/leads-report-2021>