

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.

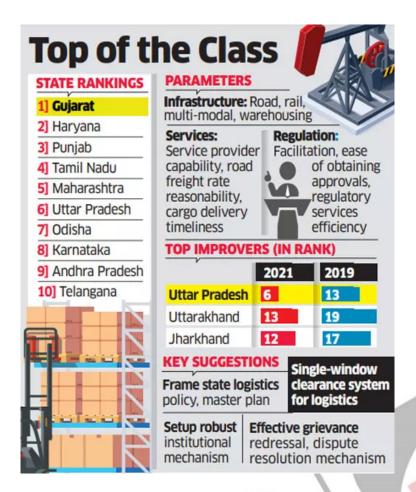
Need:

- 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 <u>Covid-19</u> 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.



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)
 - <u>Sagarmala</u>
 - Bharatmala Pariyojana
 - E-Way Bill Integration with FASTag, RFID

Source: IE

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