

# LEADS index, 2021

November 10, 2021

**In news**– The Union Minister of Commerce and Industry has released a report on the **Logistics Ease Across Different States Index (LEADS) 2021** recently.

## About the index

- LEADS report **ranks the states on the basis of their logistics ecosystem, highlights the key logistics related challenges** faced by the stakeholders and includes suggestive recommendations.



- Within the North Eastern States and Himalayan Region, Jammu and Kashmir is the top ranker followed by Sikkim and Meghalaya.
- Delhi stands at the top rank among Other UTs.

Exhibit 2: LEADS 2021 - Perception Indicators

	Indicators	Coverage
Infrastructure	Quality of Road Infrastructure	Road network and associated physical infrastructure such as road condition, signage, lighting, vehicle refuelling services, toll, State border points, etc.)
	Quality of Rail Infrastructure	Sufficiency of rail tracks, congestion on rail networks, etc.
	Quality of Multi-Modal Terminal Infrastructure	ICDs, CFSS, AFSS, PFTs, MMLP, port terminals, airport terminals, logistics parks, inland waterway terminals, dry ports, Land Custom Stations, etc.
	Quality of Unimodal Terminal Infrastructure	Road-based terminals, transport nagar, LCS/LCP etc.
	Quality of Warehousing Infrastructure	Warehouses including silos/bulk storage, consolidation centres, cold storages, packhouses, etc.
Services	Quality of Logistics Services	Haulage/transportation by different modes, terminal operations including handling and storage of cargo, Delivery in full and on-time, customs broking, and value-added services like consolidation, repackaging, labelling, last-mile connectivity, etc.
	Capability of Logistics Service Providers	Competency of transport providers, truck drivers, freight forwarders, custom house agents, MTOs etc.
	Reasonableness of Road Freight Rates	Road Freight Rates
	Reasonableness of Prices of Terminal Services	Tariff at terminal services includes handling, storage, value-added services, last mile connectivity charges, etc.

- **LEADS report of 2018 focused on export-import trade** and assessed the efficiency of the logistics ecosystem in each State and UT.
- LEADS report 2019 had covered both international and domestic trade.
- **Being the 3rd report in series, LEADS 2021 exercise** has gone one-step ahead in analysing the domestic and EXIM logistics ecosystem of the state.
- Specifically, two improvements have been done in the overall assessment framework.
- Firstly, the **objective parameters in the LEADS 2021 Index have been introduced by way of an objective survey instrument** administered to the States/UTs and **by the inclusion of secondary datasets** on logistics across the State/UT level.
- Secondly, the statistical methodologies to build the index have been updated to get more robust results, given change in the overall framework.
- The perception survey was administered to the **four different categories of logistics stakeholders**, viz. traders/ shippers, transport service providers, terminal operators, and logistics service providers.
- With the efforts in the right direction, it is hoped that the vision of logistics cost will be reduced by 5% in the next five years.

## **Key suggestions**

It suggests the states frame State 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.