

## FACILITATION CORNER BY EASE OF DOING BUSINESS

India's Tech-Driven  
Logistics Evolution

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# VIKSIT BHARAT NATIONAL MASTERPLAN

*This Facilitation Corner, powered by India's premier tech-piloting agency Ease of Doing Business (EoDB), as dedicated support for freight and logistics stakeholders. It aims to accelerate India's journey toward reducing the national GDP expenditure on logistics by enabling strategic policy interventions, innovative pilot programs and technology-led transformation across the sector.*

## Technocrat POV

India's mobility and logistics landscape is witnessing a decisive shift from policy intent to on-ground execution. The 8th NHEV Working Group Meeting highlighted significant progress in 3rd Generation Green Mobility, with the Connected Commercial Vehicle (CCV) Protocol enabling V2X connectivity, interoperable systems, and data-driven operations across national highways, while the upcoming 9th WGM will accelerate real-world deployment and standardisation. Concurrently, record industrial and logistics leasing and a reduction in logistics costs to 9% of GDP underscore the tangible benefits of infrastructure expansion, multimodal integration, and operational efficiency. Initiatives like LNG powered transportation demonstrate a pragmatic, transitional approach to cleaner fuels, and GTRI's focus on optimizing exports through existing agreements reinforces the importance of cost competitiveness, technology adoption, and logistics excellence. Together, these developments signal that India is building a future ready, sustainable, and digitally integrated mobility and logistics ecosystem that strengthens both economic growth and global trade leadership.



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## News and Trends

Across the country, a series of high-level deliberations are underway to lay the foundation for a unified and future-ready transportation planning framework. In a significant step towards this objective, Prime Minister Narendra Modi recently chaired a meeting of Cabinet Ministers and senior Secretaries overseeing transport-related ministries to initiate the establishment of an apex Transport Planning Authority.

In parallel, India's 3rd Generation Green Mobility Network continues to gain decisive momentum on the ground. This was reflected in the successful 8th Working Group Meeting (8th WGM) of the National Highways for Electric Vehicles (NHEV), held on 23 December 2025 in New Delhi. The high-level meeting marked a critical milestone in advancing the Connected Commercial Vehicle (CCV) Protocol, moving it closer to real-world deployment and validation.

The discussions progressed key elements of V2X-enabled connectivity, interoperable digital architectures, and data-driven mobility frameworks—all essential to enabling smart, scalable, and energy-efficient commercial vehicle operations across India's national highways. Together, these developments signal a clear convergence between top-down institutional reform and bottom-up technological execution, setting the stage for a seamlessly integrated, intelligent, and sustainable transportation ecosystem for India.

## Industrial and Logistics Leasing Hits Record High in India

India's industrial and logistics sector achieved an unprecedented milestone in 2025, with leasing activity reaching a record 76.5 million square feet across 24 major cities, marking a 19% increase compared to the previous year. This surge was driven by strong demand from manufacturing (29%), third-party logistics (28%), and e-commerce (12%) sectors, reflecting the country's robust post-pandemic recovery and rapid infrastructure expansion.



## LNG-Powered Transportation

AVG Logistics Limited has signed a memorandum of understanding (MoU) with Baidyanath LNG Private Limited to accelerate the adoption of liquefied natural gas (LNG)-powered transportation solutions across India's key industrial sectors, including steel, FMCG, cement, and high-volume logistics operations. Under the partnership, Baidyanath LNG will provide dedicated LNG-powered vehicle fleets and access to its network of LNG filling stations, while also collaborating on the development of customised LNG-based logistics solutions tailored to sector-specific needs.

## India to Prioritise Export Delivery Over New FTAs: GTRI

The Global Trade Research Initiative (GTRI) has advised India to shift its focus from signing new free trade agreements (FTAs) to maximizing the export gains from existing deals, especially given the challenging global trade environment anticipated in 2026. India's exports reached about USD 825 billion in FY25 and are projected to rise only modestly to nearly USD 850 billion in FY26, with merchandise exports likely to remain stagnant amid weak global demand and rising protectionism. The report highlights that sectors such as electronics, engineering, and textiles should be prioritized for export expansion, while domestic reforms—like improving product quality, moving up the value chain, and reducing production and logistics costs—will be crucial for sustained growth.

## Logistics Costs Fall to 9% of GDP

India's logistics costs have dropped to 9% of GDP, a significant reduction from the previous high of 16%, according to Union Minister Nitin Gadkari. This achievement is credited to the expansion of the national highway network, improved multimodal connectivity, and investments in expressways and economic corridors, all of which have helped streamline freight movement and reduce turnaround times at ports and warehouses. The minister cited reports from IIM Bangalore, IIT Chennai, and IIT Kanpur, which indicate that logistics costs have decreased by 5–6% due to better infrastructure, with the warehouse-to-consumer segment also seeing a 1.33% cost reduction.

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