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LEAP INDIA LIMITED

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IPO Report

07th Aug'26

Snapshot

Utilizing company's 'share and reuse' business model, referred to as pooling, company is the largest on-demand asset pooling provider in India's supply chain management sector (based on the number of pooled Assets). As of March 31, 2026, company have 14.70 million Assets1 and company maintain a pan-India network of over 10,100 customer touchpoints2. This circular business model supports company's customers while reducing environmental impact and enhancing the time and cost efficiency and safety of supply chains for its customers across India.

VALUATION

Company is bringing the issue at price band of Rs 151-159 per share at p/e multiple of 113x on post issue FY26 basis.

Company is utilizing its 'share and reuse' business model, referred to as pooling, company is the largest on-demand asset pooling provider in India's supply chain management sector (based on the number of pooled assets. Company have 14.70 million assets and it maintain a pan-India network of over 10,100 customer touchpoints and 29 fulfilment centres as of March 31, 2026. Company have established partnerships with more than 1,000 customers as of March 31, 2026, including with blue-chip companies across various industries. Company have established a long-standing track record of profitability, having remained PAT positive since 2020.

Hence, we recommend "Subscribe" to issue.

Price Band (Rs./Share)	**151-159**
Opening date of the issue	**07th Aug '2026**
Closing Date of the issue	**11th Aug '2026**
No of shares pre issue	41,03,47,780 Eq Shares
Issue Size	Rs 2480 Cr
Fresh Issue	Rs 480 Cr
OFS	Rs 2000 Cr
Face Value (Rs/ share)	Rs 1/share
Bid Lot	94
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 7,79,48,111 eq Shares)
Non-Institutional	15% of the offer (Approx 2,33,84,434 eq Shares)
Retail	35% of the offer (Approx 5,45,63,679 eq Shares)
Employee	78616 Eq Shares
Lead managers	JM Financial, Avendus Capital, IIFL Capital and UBS Securities
Registrar to the issue	MUFG Intime India Pvt Ltd

WHAT WE LIKE

Industry with multi-decadal and rapid growth story

In developed economies like the North America and European Union, pallet usage approaches near-universal levels, supported by advanced logistics infrastructure and widespread automation. These markets benefit from established pallet pooling systems and standardized supply chain practices that maximize efficiency. The level of palletization was 89% in North America, 91% in the EU, 94% in Australia and New Zealand, and 60% in China in CY2025. India's logistics sector is characterized by high costs, largely due to fragmented supply chains, manual handling and inefficient transportation systems. These challenges are prompting companies in India to seek modern solutions, with supply chain mechanization and automation becoming increasingly attractive and palletization emerging as a strong element in this transformation.

Largest on-demand supply chain asset pooling company, in an industry with high barriers to entry

Company is the largest on-demand asset pooling provider in India's supply chain management sector (based on number of pooled Assets), according to the F&S Report. With 14.70 million Assets on offer, company's network spans 10,100 customer touch points and 29 fulfilment centres (which are centres to facilitate the storage, maintenance, repair, and rapid deployment of company's Assets to its customers) as of March 31, 2026. According to the F&S Report, company is the only player in India currently operating at a considerable scale and at a national level in the pallet pooling segment.

Highly resilient business model with a blue-chip customer base across high growth sectors

Company's business is anchored by a diverse end-use customer base that spans multiple high-growth and stable sectors, including FMCG, F&B, 3PL, e-commerce and quick commerce, automotive and industrials and others. According to the F&S Report, these sectors have shown sustained growth and remained relatively resilient to economic downturns. This ensures steady demand for company's solutions even during periods of macroeconomic volatility. This sectoral diversification not only supports consistent asset utilization throughout the year but also allows company to balance demand across different business cycles, maximizing operational efficiency and reducing exposure to sector-specific risks.

COMPANY BACKGROUND

Company's service offerings encompass technology-enabled supply chain solutions that suit customer requirements across industries. Company's solutions help customers to connect different stages of their own value chain, from the point of manufacturing to distribution of goods all the way to the point of sale (retail). 210

According to the F&S Report, pallets are a critical element of modern supply chains, enabling companies to operate more effic iently, reduce costs, and deliver products reliably and safely. Further, pallet pooling is a system where companies use pallets fro m a shared pool instead of purchasing their own pallets; this system is gaining traction as a cost-effective and efficient method to integrate palletization into supply. Under this model, the ownership and management of pallets is outsourced to third-party providers, effectively treating pallets as a service. This reduces the burden of procurement, maintenance, tracking, wareh ousing space requirements, manpower, and time, while ensuring consistent quality and availability across operations, according to the F&S Report.
Through its large asset base and pan-India network, company is able to serve a diverse customer base spanning sectors such as fast-moving consumer goods ("**FMCG**"), food and beverage ("**F&B**"), third-party logistics ("**3PL**"), e-commerce and quick commerce, automotive, industrials and others.

As of March 31, 2026, company had more than 1,000 customers. The nature of company's solutions and integration of these solutions into company's customers' operations drives their dependence on company, loyalty and retention for co,m, with a majority of its top 10 customers (in terms of revenue contribution in Fiscal 2026) having been with company for more than five year.

Company consolidated its position in the asset pooling industry by acquiring CHEP India in January 2025. According to the F&S Report, CHEP India was a leading provider of pallet and container pooling services, backed by a long track record, best practices, and strong customer relationships and was also recognized as the market leader in asset pooling in the container segment in Fiscal 2024. With the addition of CHEP India's established asset pooling network with its own, company have expanded its network reach across various industries, enhanced company's ability to serve a broader customer base and increased company's product portfolio, in particular in relation to its container business

OBJECTS OF OFFER

The Offer comprises the Fresh Issue and the Offer for Sale.

Offer for Sale
Each of the Selling Shareholders shall be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its proportion of Offer expenses and relevant taxes thereon, in accordance with the terms of the Offer Agreement. Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

The Fresh Issue
Company proposes to utilise the Net Proceeds from the Fresh Issue towards the following:
Repayment / prepayment, in full or in part, of certain borrowings availed of by Company; and
General corporate purposes.

RISKS

A majority of company's revenue from operations is derived from its pallets (company's pallets contributed to 62.17%, 67.90% and 72.23% of its revenue from operations in Fiscals 2026, 2025 and 2024, respectively). Any adverse impact on company's pallet pooling business would adversely affect company's business, results of operations and profitability.

Source:RHP

Consolidated Financials (Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	3649.71	4664.72	7295.33
Total Expenditure (B)	1620.08	2112.34	3685.26
EBIDTA	2029.63	2552.38	3610.07
EBIDTA Margin	55.61	54.72	49.48
Other Income	69.73	185.59	178.22
Depreciation	1126.09	1537.29	2043.30
EBIT	973.27	1200.68	1744.99
Interest	506.02	680.11	936.47
PBT	467.25	520.57	808.52
Share of profit in Asso	0.00	0.00	0.00
PBIT	467.25	520.57	808.52
Exceptional	0.00	0.00	0.00
PBT	467.25	520.57	808.52
Tax	95.33	144.99	185.11
PAT	371.92	375.58	623.41
NPM	10.19	8.05	8.55
ROE%	5.21	4.09	6.19
EPS	1.04	1.00	1.52
Eq Cap	27.28	30.18	120.73
Net Worth	7,141.78	9,173.48	10,063.32

(Source: RHP)

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