

Date: October 15, 2026

To,
Listing Department
BSE Limited
Phirozee Jeejeeboy Towers,
Dalal Street, Fort, Mumbai – 400001.
Scrip Code: 544865

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Symbol: LEAPIND

Dear Sir/ Ma'am,

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Update on Credit Ratings

With reference to the captioned subject and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), we wish to inform you that India Ratings and Research (Ind-Ra) has upgraded LEAP India Limited’s (LEAP) long-term bank loan rating to ‘IND A+’ from ‘IND A’, with a Stable Outlook, and short-term bank loan rating to ‘IND A1+’ from ‘IND A1’ as follows:

Instrument Description	Regulator of Instrument	Rating Assigned alongwith Watch/Outlook	Rating Action
Bank Loan facilities	RBI	IND A+/Stable/IND A1+	Upgraded

Press release dated October 14, 2026, issued by the India Ratings and Research is enclosed herewith.

We request you to kindly take the above information on record.

Thanking you.
Yours faithfully,
For LEAP India Limited

CHIRAG BHARAT
BAGADIA

Chirag Bagadia
Company Secretary, Compliance Officer
and Head Legal
Membership No.: A21579

Encl: As above

India Ratings Upgrades LEAP India's Bank Loans to 'IND A+'/'Stable'/'IND A1+'

Oct 14, 2026 | Leap India Limited (Formerly Leap India Private Limited) | Packaging

India Ratings and Research (Ind-Ra) has upgraded LEAP India Limited's (LEAP) long-term bank loan rating to 'IND A+' from 'IND A', with a Stable Outlook, and short-term bank loan rating to 'IND A1+' from 'IND A1' as follows:

Details of Instruments

Instrument Description	Regulator of Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating Assigned along with Watch/Outlook	Rating Action
Bank loan facilities	RBI	-	-	-	10,509.70	IND A+/Stable/IND A1+	Upgraded

Analytical Approach

Ind-Ra continues to take a fully consolidated view of LEAP and its subsidiaries to arrive at the ratings, given the integrated nature of the operations, moderate operational linkages, and a common management.

Detailed Rationale of the Rating Action

The upgrade reflects LEAP's strengthened financial profile after its initial public offering (IPO) in August 2026, which raised primary equity capital of INR4,800 million. The subsequent prepayment of INR3,600 million of debt is likely to improve the company's capital structure, with a debt-to-equity ratio of below 0.5x and a net leverage ratio (gross debt including lease liabilities less unencumbered cash & cash equivalents divided by EBITDA) of below 2.25x over the near to medium term. The ratings are supported by the expectation of a satisfactory operational performance, driven by robust revenue growth with capacity expansion across existing assets, geographic expansion in the Middle East, and improved pricing. Ind-Ra expects a healthy EBITDA margin at around 50% over the near to medium term.

The ratings are also supported by LEAP's robust business profile, underpinned by: i) a strong sponsor, Kohlberg Kravis Roberts and Co (KKR & Co. Inc), which is a renowned investment firm having established presence in India; ii) a leading market position in the Indian pallet pooling industry; and iii) a pan-India network. LEAP's diversified customer portfolio and customer contracts containing in-built escalation clauses after specific timelines provide strong revenue visibility and insulate the company from sectoral downturns. Furthermore, the ratings benefit from LEAP's experienced management team.

However, the ratings are constrained by the capital-intensive nature of the business, resulting in a moderate, albeit improving return on capital employed (ROCE). Furthermore, the long asset life supports a favourable return profile over the investment cycle.

List of Key Rating Drivers

Strengths

- Financial profile likely to improve over FY27-FY28
- Experienced management and strong sponsor
- Robust business profile
- Sound and diversified customer profile

Weaknesses

- High capex intensity

- Susceptibility to macro-economic headwinds

Detailed Description of Key Rating Drivers

Financial Profile Likely to Improve Over FY27-FY28: LEAP's consolidated revenue from operations (including gains from the sale of property, plant, and equipment and assets held for sale) grew 54.8% yoy to INR7,320.6 million in FY26, driven by the full-year contribution from CHEP India Private Limited acquired in January 2025 and organic growth across the pallet, foldable large container/crate (FLC), and material handling equipment (MHE) segments. Over 55% of LEAP's revenue is derived from pallet pooling, wherein LEAP charges rentals along with movement and allotment fees for the pallets. The balance revenue is mainly derived from the allotment of FLC/crates and MHE. LEAP had a combined asset base (pallets, FLCs, crates, utility boxes, and MHEs) of about 14.9 million as of June 2026 (June 2025: 13.7 million). The consolidated EBITDA margin (operating profit excluding other income divided by revenue from operations) was comfortable at 49.7% in FY26 (FY25: 55.3%). On a pro-forma basis (considering the consolidation of CHEP for FY25), the FY26 revenue grew 16.5% yoy and the EBITDA margin was largely stable at 49.7% (FY25: 50.6%).

The company's consolidated revenue grew 19.1% yoy to INR2,034 million in 1QFY27, with an EBITDA of INR1,042 million, translating into a healthy EBITDA margin of 51.2% (1QFY26: 49.8%). Ind-Ra expects the company to continue reporting organic revenue growth of over 15% over the near to medium term, supported by a steady expansion of its asset base, planned geographic expansion into the Middle East, and price escalations. The EBITDA margin is likely to remain strong at around 50% during the same period.

The company's financial profile is likely to strengthen further after the IPO in August 2026, through which it raised primary capital of INR4,800 million. Of the proceeds, INR3,600 million has been utilised towards the prepayment of debt, while the balance INR1,200 million has been earmarked for general corporate purposes. The resultant deleveraging is likely to improve the capital structure, with debt-to-equity below 0.5x and the net leverage below 2.25x on a sustained basis over the near to medium term. However, any greater-than-Ind-Ra-expected debt-funded capex and/or acquisitions leading to a deterioration in the leverage metrics are key monitorables.

Experienced Management and Strong Sponsor: LEAP is led by an experienced management team headed by its founder, Sunu Mathew, who has over 26 years of industry experience. This has enabled the company to establish relationships with marquee customers and build a strong presence across key demand locations. KKR is a significant shareholder, holding 35.11% in LEAP as of August 2026. Ind-Ra believes KKR's continued association provides strategic oversight and strengthens the company's business profile.

Robust Business Profile: LEAP is the largest player in the Indian pallet pooling industry. It has a pan-India network, with 28 fulfilment centres and over 10,000 customer touch points. This has enabled the company to cater to customers across the country and optimally utilise its assets, as reflected in the pallet utilisation of over 87% during FY23-FY26.

The company's business model entails an optimum utilisation of assets by providing on-demand supply to its customers without the latter having to incur any significant capital outlay. Palletisation is critical in modern warehousing as it improves efficiency and minimises cost and damage during transportation. LEAP focuses on wooden pallets, which are the most widely used due to their higher durability and cost-effectiveness. Thus, the wood segment is likely to continue to dominate the pallet market in India. LEAP has been addressing the market for softwood pallets, which have a life expectancy of 20-25 years. The average customer agreement is for three to five years, and the assets can be utilised multiple times with nominal repairs and maintenance. Furthermore, with the acquisition of CHEP, the company has been able to enhance its existing fleet of crates and foldable large containers.

Globally, the palletisation industry is dominated by a few players. On the domestic front too, the industry is concentrated, with only a handful of players, due to the need for high capital intensity and significant time and investment required to build a scalable nationwide pooling network. These factors jointly create high entry barriers for new companies.

Sound and Diversified Customer Profile: LEAP has entered medium-to-long-term agreements (three to five years) with strong counterparties such as LG Electronics India Pvt Ltd., Hindustan Coca Cola Beverages Private Limited (debt rated at 'IND AA+/Stable'), Amazon Seller Services Private Limited, Asian Paints Limited (debt rated at 'IND AAA/Stable'), and Instakart Service Pvt. Ltd. The company caters to industry leaders across sectors, including consumer durables and fast-

moving consumer goods, retail, logistics, industrials, and automobiles, across India. This diversified profile insulates the company from the risks of any sectoral downturn and has resulted in consistent revenue growth. The customer contracts contain in-built escalation clauses after specific timelines, which provide strong revenue visibility. Moreover, the company's warehouses are strategically located, enabling a swift movement of assets across the country. Its customer base increased to over 1,000 customers as of June 2026, resulting in improved diversification, with the top 10 customers contributing 30% of the standalone revenue in FY26 (FY25: 41%).

High Capex Intensity: LEAP's revenue growth has been driven by its continuous investments in expanding the fleet of pooling assets to meet increasing customer demands across various geographies and product categories. While its business is capital intensive, the capex starts yielding revenue within a short gestation period. Additionally, the largely modular nature of the capex would allow the company to calibrate its expansion plans during periods of demand moderation and/or adverse market conditions.

The company's ROCE, while moderate due to a low asset turnover and high capex intensity, improved to about 8% in FY26 (FY25: 7%). Furthermore, the management expects LEAP's ROCE profile to improve over the near to medium term, driven by an improved turnaround of assets and an increase in the proportion of movement hire (wherein customers can move assets from one location to the other, for which they are charged movement fees), which is a key rating monitorable. Additionally, the long useful life of the assets enhances value creation and supports return generation over the long term.

Susceptibility to Macro-economic Headwinds: LEAP's business profile is cyclical in nature, and the pooling assets' utilisation is susceptible to volatility in overall warehousing demand for e-commerce and retail players. The demand-supply disparity could affect the unit economics for the pooling assets, thereby impacting the company's profitability. Moreover, LEAP is exposed to input price volatility, especially the price of softwood used for pallet manufacturing. Hence, the ability of the company to maintain an optimum utilisation through the cycles and/or pass the incremental input cost to its customers are critical to the profitability and return profile, as per Ind-Ra.

Liquidity

Adequate: LEAP's liquidity is supported by an unencumbered cash and cash equivalents (including investments in mutual funds) of INR1,130 million as of March 2026 (FY25: INR1,166 million). Furthermore, the company has total fund-based working capital limits of INR1,100 million, with an average peak utilisation of 21% over the 12 months ended July 2026. Ind-Ra expects the utilisation to have remained at similar levels in the subsequent period. LEAP reported a positive cash flow from operations over FY23-FY26. The internal accruals are likely to be sufficient to meet the scheduled repayment obligations of about INR600 million and INR1,400 million in 2HFY27 and FY28, respectively. The liquidity, however, is constrained by the company's large capex plans over the near to medium term. Ind-Ra derives comfort from the company's strong financial flexibility, as reflected in its ability to access debt at competitive rates, successfully conclude the IPO, and attract substantial equity/CCPS investments from KKR and other investors over FY23-FY25.

Rating Sensitivities

Positive: Significant growth in the scale of operation leading to an improved operating profitability and the net leverage below 1.75x, on a consolidated and sustained basis, could lead to a positive rating action.

Negative: A significant decline in the operating profitability and/or greater-than-expected debt-funded capex/acquisition leading to the net leverage exceeding 2.75x, on a consolidated and sustained basis, could lead to a negative rating action.

Any Other Information

Not applicable

About the Company

Incorporated in 2013 in Mumbai and promoted by Sunu Mathew, LEAP provides pan-India returnable and customised packaging solutions used for storing and moving products across the supply chain.

Key Financial Indicators

Particulars (INR million) – Consolidated	FY26	FY25
Revenue from operations*	7,320.6	4,728.9
EBITDA (excluding other income)	3,635.3	2,616.6
EBITDA margin (%)	49.7	55.3
Gross interest coverage (EBITDA/finance costs) (x)	3.9	3.8
Net leverage (net debt including lease liabilities/EBITDA) (x)	2.9	3.1
Source: Ind-Ra; LEAP * including gains from the sale of property, plant, and equipment and assets held for sale		

Particulars (INR million) – Standalone	FY26	FY25
Revenue from operations*	6,167.5	3,844.6
EBITDA (excluding other income)	3,257.3	2,335.8
EBITDA margin (%)	52.8	60.8
Gross interest coverage (EBITDA/finance costs) (x)	3.9	4.0
Net leverage (net debt including lease liabilities/EBITDA) (x)	2.8	3.1
Source: Ind-Ra; LEAP * including gains from the sale of property, plant, and equipment and assets held for sale		

Status of Non-Cooperation with Previous Rating Agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook					
	Rating Type	Rated Limits (INR million)	Current Rating	3 February 2026	7 April 2025	13 September 2024	21 November 2023	22 September 2023	25 May 2023
Bank loan facilities	Long-term/Short-term	10,509.70	IND A+/Stable/IND A1+	IND A/Stable/IND A1	IND A/Stable/IND A1	IND A/Stable/IND A1	IND A-/Stable / IND A1	-	IND BBB+/Rating Watch with Developing Implications/IND A2/Rating Watch with Developing Implications

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook					
	Rating Type	Rated Limits (INR million)	Current Rating	3 February 2026	7 April 2025	13 September 2024	21 November 2023	22 September 2023	25 May 2023
Issuer rating	Long-term	-	-	-	-	-	-	WD	IND BBB+/Rating Watch with Developing Implications

Disclosure on instruments / activities and names of regulators:

A list of products/activities or ratings of instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by Ind-Ra on its website. A link to the same has been provided below for ready reference:

Rating Activities

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Bank wise Facilities Details

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

Primary Analyst

Divyanka Bhutada
 Senior Analyst
 India Ratings and Research Pvt Ltd
 Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East,Mumbai - 400051
 +91 22 40356168
 For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst

Krishnaprasad Nair
 Analyst
 +91 22 40001748

Media Relation

Ameya Bodkhe
 Marketing Manager
 +91 22 40356121

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Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

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APPLICABLE CRITERIA AND POLICIES

Corporate Rating Methodology

Parent and Subsidiary Rating Linkage

Short-Term Ratings Criteria for Non-Financial Corporates

The Rating Process

Evaluating Corporate Governance

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