Date: October 27, 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 of Wholly Owned Subsidiary.

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 the Credit Rating of TARON Material Handling Equipments Private Limited (TARON), a wholly owned subsidiary of the Company's 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 26, 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 Taron Material Handling Equipments's Bank Loan Facilities to 'IND A+'/Stable/'IND A1+'

Oct 26, 2026 | Taron Material Handling Equipments Pvt Ltd | Packaging

India Ratings and Research (Ind-Ra) has upgraded Taron Material Handling Equipments Pvt Ltd's (TARON) bank loan facilities' long-term rating to 'IND A+' with a Stable Outlook from 'IND A' and short-term rating to 'IND A1+' from 'IND A1' as follows:

Details of Instruments

Instrument Type	Regulator of Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (INR million)	Rating Assigned with Outlook/Watch	Rating Action
Bank loan facilities	RBI	-	-	-	2,000	IND A+/Stable/IND A1+	Upgraded

Analytical Approach

Ind-Ra has taken a fully consolidated view of TARON and its 100% parent LEAP India Limited (LEAP; debt rated at 'IND A+'/Stable/'IND A1+'), together referred to as the group hereafter, while arriving at the ratings, given the strong operational and strategic linkages among them.

Detailed Rationale of the Rating Action

The upgrade follows a similar rating action on the parent resulting from an improvement in the credit profile. The ratings continue to reflect TARON's strong operational and strategic linkages with LEAP.

List of Key Rating Drivers

Strengths

- Strong linkages with parent
- Sound and diversified customer profile
- Improving financial profile at both consolidated and standalone level
- Experienced management and strong sponsor

Weaknesses

- High capex intensity
- Susceptibility to macro-economic headwinds

Detailed Description of Key Rating Drivers

Strong Linkages with Parent: Ind-Ra opines TARON has strong operational and strategic linkages with its 100% parent, LEAP. The agency believes TARON is strategically important for LEAP since the former provides services, which enhances the latter's product offerings and ensures a one-stop solution to its clients. The established synergies, growth in TARON's revenue and profitability, coupled with its stable EBITDA margins also highlights the linkages between the entities. Furthermore, the agency believes that TARON's sizeable 10%-15% contribution to the consolidated revenue and EBITDA during FY26 is expected to increase further to 15%-20% over FY27-FY28. The overall operational strategies and treasury functions of TARON are conducted in concurrence and close supervision of LEAP with a common managing

director, highlighting the strong operational linkages. The strategic importance is further substantiated by the extension of inter-corporate deposits of about INR1,350 million by LEAP to TARON to enable the latter's business expansion. Furthermore, LEAP has provided a committed line of credit to TARON, which can be drawn, as and when required.

Sound and Diversified Customer Profile: TARON has entered into medium-to-long term agreements (three-to-five years) with strategic customers such as Reliance Industries Ltd ('IND AAA'/Stable/'IND A1+'), PGP Glass Pvt Ltd, Saint-Gobain India Pvt Ltd, Vedanta Limited, Huhtamaki India Ltd, and TP Solar Ltd. These relationships provide stability and long-term visibility to its revenue profile. The company serves industry leaders across diverse sectors such as consumer durables and fast-moving consumer goods, retail, logistics, and industrials across India, which helps diversify risk and mitigate the impact of sector-specific downturns, supporting consistent year-on-year revenue growth. The contracts with key customers typically include in-built escalation clauses, further strengthening revenue visibility. In contrast, agreements with smaller, non-strategic customers are usually of one-year tenure, providing TARON with the flexibility to revise pricing upon renewal.

Furthermore, TARON provides wet lease services, wherein it provides material handling equipment (MHE), along with operators and related maintenance services which enhances customer stickiness and deepens client relationship. The company's customer base remains diversified with the top 10 customers contributing around 55% to the revenue in FY26.

Improving Financial Profile at Both Consolidated and Standalone Level: The group's consolidated revenue from operations (including gains from 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, which was acquired in January 2025, and organic growth across assets. The consolidated EBITDA margin (operating profit excluding other income) was comfortable at 49.7% in FY26 (FY25: 55.3%). The group's consolidated revenue grew 19.1% yoy to INR2,034 million in 1QFY27, with an EBITDA of INR1,042 million (1QFY26: INR851 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 group's financial profile is likely to strengthen further following the initial public offering in August 2026, through which it raised primary capital of INR4,800 million. Of these proceeds, INR3,600 million were utilised towards debt prepayment, 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 of less than 0.5x (FY26: 0.8x; FY25: 0.9x) and net leverage below 2.25x (2.9x, 3.1x) 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 deterioration in the leverage will be key monitorables.

On a standalone basis, TARON's revenue grew 30.1% to INR1,166.0 million in FY26 while the EBITDA margin was comfortable at 32.1% (FY25: 31.2%). During 1QFY27, TARON reported revenue of INR349 million and an EBITDA margin of 28.3%. The company has a strong order book amounting to INR1,500 million from both existing and new clientele for MHEs, which provides revenue visibility over the near term. Ind-Ra expects TARON's revenue growth over the near term to be supported by yearly increase in asset base by 350-400 MHEs, coupled with a likely improvement in the utilisation level. Ind-Ra expects it to remain range bound over FY27-FY28. Considering the capital-intensive business, Ind Ra expects the company to incur capex of INR750 million-800 million in the near-to-medium term to increase its asset pool in the upcoming years. TARON's net leverage increased to 3.1x in FY26 (FY25: 2.6x). The interest coverage excluding interest on promoter debt (gross interest less interest on promoter debt/EBITDA) stood at 3.7x in FY26 (FY25: 2.7x).

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**.**

High Capex Intensity: The group'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 group to calibrate its expansion plans during periods of demand moderation and/or adverse market conditions.

The group's return on capital employed, although 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 return on capital employed 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 remains susceptible to the 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 profitability of the company. Moreover, LEAP remains exposed to input price volatility, especially the price of softwood used for pallets manufacturing. Hence, the company's ability to maintain optimum utilisation through the cycles and / or pass the incremental input cost to its customers would remain critical to the profitability as per Ind-Ra.

Liquidity

Adequate: The group's liquidity is supported by unencumbered cash and equivalent (including investment in mutual fund) of INR1,130 million as of March 2026 (FY25: INR1,166 million). Furthermore, LEAP has total fund-based working capital limits of INR1,100 million, with the average peak utilisation of 21% over the 12 months ended July 2026. The group has demonstrated a track record of positive cash flow from operations over FY23-FY26.The internal accruals are likely to be sufficient to meet the scheduled consolidated repayment obligations of INR600 million and INR1,400 million in 2HFY27 and FY28, respectively. The liquidity, however, is constrained by the group's large capex plans over the near-to-medium term. Nevertheless, the agency draws comfort from the group's strong financial flexibility, as reflected in its ability to access debt at competitive rates, successfully conclude the initial public offering, and attract substantial equity/compulsory convertible preference shares investments from KKR and other investors over FY23-FY25.

On a standalone basis, TARON's liquidity is supported by healthy internal accruals and total working capital limits of INR400 million, with an average fund-based working capital limits utilisation of 20% over the 12 months ended September 2026. Ind-Ra expects the internal accruals to be sufficient to meet scheduled repayment obligations of INR318 million in FY27 and INR382 million in FY28 on a standalone basis. Furthermore, LEAP has provided a committed line of credit of INR250 million to TARON, which can be drawn, as and when required. The company maintains minimal unencumbered cash and liquid investments at standalone level, with free cash and equivalent of around INR7 million as of March 2026.

Rating Sensitivities

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

Negative: Developments that could, individually or collectively, lead to a negative rating action include:
- a weakening of the linkages with LEAP;
- a significant decline in the consolidated operating profitability and/or greater-than-expected debt-funded capex/acquisition leading to the net leverage remaining above 2.75x, on a consolidated and sustained basis.

Any Other Information

Not applicable

About the Company

Incorporated in 2018, TARON, a 100% subsidiary of LEAP, offers comprehensive solutions for material handling operations such as real time fleet analysis, ensuring zero instances which will increase the productivity needs for supply chain needs of their clients.

Key Financial Indicators

Particulars (Consolidated)	FY26	FY25
Revenue (INR million)*	7,321	4,729
EBITDA (INR million)	3,635	4,617
EBITDA margin (%)	49.70	55.30
Gross interest coverage (x)	3.9	3.8
Net leverage excluding parent debt (x)	2.9	3.1
Source: LEAP; Ind-Ra * including gains from the sale of property, plant & equipment, and assets held for sale		

Particulars (Standalone)	FY26	FY25
Revenue (INR million)	1,166	896
EBITDA (INR million)	375	280
EBITDA margin (%)	32.1	31.2
Gross interest coverage (x)	1.7	1.6
Net leverage excluding parent debt (x)	3.1	2.6
Source: TARON; Ind-Ra		

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	27 May 2026	26 May 2025
Bank loan facilities	Long-term/Short-term	2,000	IND A+/Stable/IND A1+	IND A/Stable/IND A1	IND A-/Stable/IND A2+

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

The details are as reported by the issuer as on (26 Oct 2026)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	Axis Bank Limited	Fund-based working capital limits	150	IND A+/Stable / IND A1+
2	Hongkong Shanghai Banking corporation	Fund-based working capital limits	100	IND A+/Stable / IND A1+
3	IDFC First Bank	Fund-based working capital limits	150	IND A+/Stable / IND A1+
4	Axis Bank Limited	Term loan	500	IND A+/Stable
5	IDFC First Bank	Term loan	500	IND A+/Stable
6	NA	Proposed Term Loan	600	IND A+/Stable

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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significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

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APPLICABLE CRITERIA AND POLICIES

Corporate Rating Methodology

Short-Term Ratings Criteria for Non-Financial Corporates

The Rating Process

Evaluating Corporate Governance

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