LEAP India Ltd.

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IPO Note **06th Aug 2026**

Company Overview

Leap India Limited is India's leading on-demand supply chain asset pooling provider by number of pooled assets. The company operates a technology-enabled, asset-light "share and reuse" business model, offering pallets, reusable containers and material handling equipment (MHE) on a pooling basis. This enables customers to improve supply chain efficiency, optimize asset utilization, reduce capital expenditure and enhance sustainability. As of March 31, 2026, the company managed a pooled asset base of 14.70 million assets, serving customers across FMCG, food & beverage, third-party logistics (3PL), e-commerce, quick commerce, automotive, industrial and other sectors. According to the F&S Report, Leap India holds approximately 90% market share in India's pallet pooling industry, making it the clear market leader with the country's largest pallet fleet. The organized pallet pooling market has high entry barriers due to its capital-intensive nature, extensive repair and maintenance infrastructure, nationwide logistics network and long-standing customer relationships. In the broader MHE pooling segment, the company also competes with established players, strengthening its presence in the organized supply chain solutions market. The company's integrated business model extends beyond asset pooling by providing end-to-end supply chain solutions across manufacturing, warehousing, distribution and retail. Its portfolio includes pallets, reusable containers and material handling equipment such as forklifts, reach trucks, stackers and pallet trucks, enabling customers to adopt asset-light operations while reducing ownership and maintenance costs. Leap India's acquisition of CHEP India in January 2025 significantly expanded its customer base, pooled asset network and container pooling business, further reinforcing its leadership position. Backed by an experienced management team and KKR-affiliated investors, the company is well positioned to benefit from India's growing adoption of organized warehousing, supply chain automation and asset-light logistics models, which are expected to support long-term growth in demand for technology-enabled pooling solutions.

Objects of the issue

The IPO consists of a Fresh Issue (Rs. 480 crores) and an Offer for Sale (OFS) (Rs. 2,000 crores). The net proceeds from the Fresh Issue are proposed to be utilized for the following purposes:

1. Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by the company.
2. General corporate purposes.

Investment Rationale

Market leader in India's asset pooling industry with strong entry barriers and scalable operating platform

Leap India is the largest on-demand supply chain asset pooling provider in India by the number of pooled assets, according to the F&S Report, with an estimated 90% market share in the pallet pooling industry. As of March 31, 2026, the company managed a pooled asset base of 14.70 million assets, supported by a pan-India network of 10,100 customer touchpoints and 29 fulfilment centres, enabling efficient deployment, retrieval, repair and maintenance of assets across the country. Its subsidiary, TARON, is the leading forklift pooling player in India and a pioneer in lithium-ion material handling equipment (MHE) solutions, further strengthening the company's leadership in the organized asset pooling market. Leap India's market leadership is supported by significant barriers to entry arising from its large asset base, nationwide logistics and fulfilment infrastructure, established customer relationships, strong product quality standards and technology-enabled operating platform. The acquisition of CHEP India in January 2025 further enhanced its scale, expanded its customer network and strengthened its position in the reusable container pooling segment. According to the F&S Report, replicating a similar nationwide platform would require substantial capital investment, extensive operational capabilities and several years of execution, creating a significant competitive advantage for the company. The company serves over 1,000 customers, including leading FMCG, logistics, automotive, consumer durables and industrial companies, while maintaining negligible customer churn among its top customers due to the high integration of its pooling assets within customer supply chains. Its diversified portfolio of pallets, reusable containers and MHEs enables customers to consolidate multiple logistics requirements under a single service provider, resulting in high customer retention and recurring revenue visibility. With palletization and organized asset pooling still at an early stage in India compared with developed markets, the company is well positioned to benefit from the structural shift toward warehouse automation, organized logistics and asset-light supply chain solutions, providing a strong runway for long-term growth.

Issue Details	
Offer Period	7th Aug, 2026 - 11th Aug, 2026
Price Band	Rs. 151 to Rs.159
Bid Lot	94
Listing	BSE, NSE
Issue Size (no. of shares in Cr.)	15.5
Issue Size (Rs. in Cr.)	2,480

Issue Structure	
QIB	50%
NIB	15%
Retail	35%

BRLM	JM Financial Ltd., Avendus Capital Pvt Ltd., IIFL Capital Services Ltd., UBS Securities India Pvt Ltd.
Registrar	MUFG India Pvt Ltd.

Particulars	Pre Issue	Post Issue
Promoter & Promoter Group	95.7%	60.6%
Public	4.3%	39.4%
Total	**100%**	**100%**

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

LEAP India Ltd.

Technology-driven operating platform supporting efficient asset management and customer retention

Technology forms a key competitive advantage for Leap India, enabling efficient asset management, higher asset utilization and superior customer service across its nationwide asset pooling network. According to the F&S Report, the company was the first in India to introduce passive RFID-tagged containers, enabling real-time asset tracking and improved visibility throughout the supply chain. It is also integrating RFID technology across the assets acquired from CHEP India, while its material handling equipment (MHE) fleet is IoT-enabled, allowing real-time monitoring of equipment usage and operational performance. The company's proprietary MyLEAP platform provides customers with a centralized interface for real-time asset tracking, inventory management, order monitoring and service requests. This is supported by an integrated digital ecosystem comprising SAP, CRM systems and multiple in-house applications, including the Asset Audit Application (AAA), RFID App and Proof of Delivery (POD) App, which automate workflows, improve inventory accuracy and enhance operational visibility. In addition, the company leverages advanced analytics and AI-based demand forecasting to optimize asset allocation, improve pooling availability and maximize utilization across its nationwide network. Leap India has also established a robust asset lifecycle management framework through its Sorting, Repair and Conditioning (SRC) centres, mobile repair units and periodic equipment audits, helping maintain asset quality and minimize downtime. The company further strengthens customer engagement by training ~35,000-40,000 customer employees annually on equipment handling, reducing asset damage and improving operational safety. Customer service remains an integral part of the company's operating model, supported by defined service-level agreements (SLAs), proactive issue resolution and integrated order management processes. With increasing adoption of digital technologies and warehouse automation across India's logistics sector, Leap India's technology-enabled platform, strong operational capabilities and customer-centric approach position it well to capitalize on the growing demand for efficient, scalable and asset-light supply chain solutions.

Valuation

Leap India Limited is the market leader in India's asset pooling industry, holding an estimated 90% share of the pallet pooling market, according to the F&S Report. The company has established a dominant position through its large pooled asset base, Pan-India fulfilment network, technology-enabled operating platform and long-standing customer relationships. The Indian logistics and supply chain sector continues to offer significant structural growth opportunities, supported by increasing adoption of palletization, organized warehousing, supply chain automation, rising demand for asset-light logistics solutions and improving logistics infrastructure. These long-term industry trends are expected to drive higher adoption of asset pooling solutions and support sustainable growth for organized players such as Leap India. On the financial front, the company has demonstrated strong operating performance, with Revenue/EBITDA/PAT registering CAGRs of 41.4%/33.3%/29.5%, respectively, during FY24–FY26, supported by business expansion and a growing pooled asset base. While earnings growth was moderated by higher depreciation and finance costs due to continued asset investments, the company remains well positioned to benefit from increasing formalization of the logistics sector, rising warehouse automation, greater adoption of asset-light supply chain models and low palletization levels in India. The company's dominant market position, recurring revenue model, technology-driven platform and high entry barriers provide healthy long-term growth visibility. At the upper price band of Rs. 159, the issue is valued at an EV/EBITA multiple of 22.2x based on FY26 earnings. The valuation appears reasonable considering the company's leadership in the asset pooling industry, diversified customer base, scalable business model, and favourable long-term growth outlook driven by increasing adoption of organised logistics and supply chain solutions. **Accordingly, we recommend a "SUBSCRIBE" rating for the issue with a long-term investment horizon.**

Key Risks

⇒ The company's growth depends on continued adoption of its asset pooling solutions. Any shift in technology or supply chain practices could reduce demand and impact revenue growth.

⇒ Dependence on third-party suppliers exposes the company to raw material price volatility and supply disruptions. This could increase procurement costs and pressure operating margins.

⇒ The business remains exposed to import dependence, currency fluctuations and geopolitical disruptions. Any adverse movement could increase costs and negatively impact profitability and cash flows.

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LEAP India Ltd.

Income Statement (Rs. In crores)

Particulars	FY24	FY25	FY26
Revenue:			
Revenue from operations	365	466	730
Total revenue	**365**	**466**	**730**
Expenses:			
Purchase of stock-in-trade	10	12	32
Changes in inventories of stock-in-trade	0	0	-3
Employee benefits expense	62	90	128
Other expenses	90	110	210
Total expenses	**162**	**211**	**369**
EBITDA	**203**	**255**	**361**
Depreciation & amortization	113	154	204
EBIT	**90**	**102**	**157**
Finance costs	51	68	94
Other Income	7	19	18
PBT	**47**	**52**	**81**
Current Tax	0	1	-1
Deferred tax	10	14	19
Total tax	**10**	**14**	**19**
Net profit	**37**	**38**	**62**
Diluted EPS	**1.0**	**1.0**	**1.5**

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in crores)

Particulars (Rs in Mn)	FY24	FY25	FY26
Cash Flow from operating activities	149	255	268
Cash flow from investing activities	-339	-1,295	-360
Cash flow from financing activities	189	1,021	72
Net increase/(decrease) in cash and cash equivalents	**-1**	**-19**	**-20**
Cash and cash equivalents at the beginning of the period	**9**	**9**	**26**
Add: Acquired through business combination	0	36	0
Cash and cash equivalents at the end of the period	**9**	**26**	**6**

Source: RHP, BP Equities Research

LEAP India Ltd.

Balance Sheet (Rs. in crores)

Particulars	FY24	FY25	FY26
Assets			
Non-Current Assets			
Property, plant and equipment	975	1,229	1,481
Capital work-in-progress	1	0	8
Right-of-use assets	56	116	132
Goodwill	42	42	42
Other intangible assets	11	168	165
Intangible assets underdevelopment	0	5	0
Other financial assets	10	7	8
Non current tax assets (net)	5	27	30
Other non current assets	11	12	5
Total Non Current assets	**1,112**	**1,605**	**1,870**
Current Assets			
Inventories	15	23	33
Financial Assets	0	0	0
(i) Investments	52	101	107
(ii) Trade receivables	144	199	262
(iii) Cash and cash equivalents	9	26	6
(iv) Other bank balances	0	1	1
(v) Loans	0	0	0
Other financial assets	6	4	1
Other current assets	64	79	120
	289	**435**	**531**
Assets held for sale	**0**	**2**	**0**
Total current assets	**289**	**437**	**531**
Total Assets	**1,400**	**2,042**	**2,401**
Equity and Liabilities			
Equity Share Capital	3	3	12
Instruments equity in nature	190	308	315
Other equity	522	606	679
Total Equity	**714**	**917**	**1,006**
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowing	418	656	809
(ii) Lease Liabilities	38	76	78
Provisions	1	2	1
Deferred Tax Liabilities (net)	15	65	43
Total Non-Current Liabilities	**473**	**799**	**932**
Current Liabilities			
Financial Liabilities			
(i) Borrowing	95	146	208
(ii) Lease Liabilities	21	42	56
(iii) Trade Payables	47	78	86
(iv) Other financial labiliies	40	36	77
Provisions	1	1	3
Current tax liabilities (net)	10	23	31
Total Current Liabilities	**213**	**326**	**462**
Total Liabilities	**686**	**1,125**	**1,395**
Total Equity and Liabilities	**1,400**	**2,042**	**2,401**

Source: RHP, BP Equities Research

Research Desk **Tel: +91 22 61596138**

Institutional Sales Desk **Tel: +91 22 61596403/04**

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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Corporate Office:
4th floor,
Rustom Bldg,
29, Veer Nariman Road, Fort,
Mumbai-400001
Phone- +91 22 6159 6464
Fax-+91 22 6159 6160
Website- www.bpwealth.com

Registered Office:
24/26, 1st Floor, Cama Building,
Dalal street, Fort,
Mumbai-400001

BP Wealth Management Pvt. Ltd.
CIN No: U67190MH2005PTC154591

BP Equities Pvt. Ltd.
CIN No: U67120MH1997PTC107392