

IPO NOTE

Issue Details

Price Band: ₹ 118 to ₹ 124

Issue Opens on: January 20, 2026

Issue Closes on: January 22, 2026

Lot Size: 120 Shares & in Multiples thereafter

Issue Highlights

Issue Size: ₹ 1,907.27 Cr.

Face Value: ₹ 10

Offer Structure

Issuance	₹ in Cr.
Fresh Issue	1,000.00
Offer for Sale	907.27
Total	1,907.27

Issue Breakup

Reservation for	% of Issue	₹ in Cr. (at upper band)
QIB	75	1,426.70
HNI	15	285.34
RETAIL	10	190.23
Employee	-	5.00
TOTAL	100	1,907.27

Listing

BSE & NSE

Lead Managers

- ICICI Securities Limited
- Morgan Stanley India Company Private Limited
- JM Financial Limited

Registrar

KFin Technologies Limited

Contact Details

Analyst

Swapneel Mantri

swapneel.mantri@sushilfinance.com

022-40936034

Sales

Manan Divan

manan.divan@sushilfinance.com

022-40936091/+91 9819819979

COMPANY OVERVIEW

Shadowfax Technologies is a new-age, technology-led third-party logistics ("3PL") company, and leverage technology to facilitate digital commerce, with its service network encompassing 14,758 Indian pin codes as of September 30, 2025. Their services include (i) express, (ii) hyperlocal, and (iii) other logistics services to their clients. Their range of services includes express forward parcel deliveries, reverse pickups, and hand-in-hand exchange deliveries, prime deliveries, quick commerce and on-demand hyperlocal deliveries, and mobility.

Their clients include Meesho, Flipkart, Myntra, Swiggy, Bigbasket, Zepto, Nykaa, Blinkit, Kartrocket, Zomato, Uber, Pincode, Purple, Licious, ONDC, Magicpin, among others. To facilitate the penetration of digital commerce in India and offer its clients the ideal solutions for their end consumers, Shadowfax relies on its (i) nationwide network infrastructure, (ii) last-mile intra-city network of gig-based delivery partners, and (iii) proprietary technology platform, including a supply-demand allocation engine.

They operate on a fully leased model for their logistics facilities and linehaul, while retaining ownership of the automation and machinery to ensure operational control. Through their asset-light model, they deploy their dedicated fleet of more than 3,000 trucks on average each day as a part of their linehaul network.

HIGHLIGHTS

1. Agile and customisable logistics services that enable faster go-to-market for clients
2. Largest last-mile gig-based delivery partner infrastructure
3. Extensive nationwide network
4. Proprietary and agile technology capabilities
5. Proven business model, with focus on profitability, while delivering healthy growth

OBJECTS OF THE ISSUE

1. Funding of capital expenditure requirements of the Company in relation to their network infrastructure (₹ 423.43 Cr.)
2. Funding of lease payments for new first mile centers, last mile centers and sort centers (₹ 138.64 Cr.)
3. Funding of branding, marketing and communication costs (₹ 88.57 Cr.)
4. Unidentified inorganic acquisitions and General Corporate Purposes

Offer for Sale of Equity Shares by the Selling Shareholders aggregating to ₹ 907.27 Cr. The company will not receive any proceeds from the Offer for sale.

OUR VIEW

Shadowfax Technologies, incorporated in 2015, is a tech-driven, asset-light third-party logistics (3PL) company enabling e-commerce, quick commerce, and hyperlocal delivery across India. As of H1FY26, their extensive nationwide logistics infrastructure of 4,299 touchpoints, distributed across first- and last-mile centres and sort centres. They are the fastest growing 3PL company of scale in India as of March 31, 2025, expanding its e-commerce shipment **market share** from approximately **8% in the FY22 to approximately 23% as of H1FY26** and within the express service line, they are **market leaders** in reverse pickup shipments, in terms of order volume for the FY25 and the six months period ended September 30, 2025.

However, Risks to consider are Intense Competition, losses in the past years & negative cash flow, significant reliance on a scaled and unified network infrastructure for the business operations, client concentration, dependence on third-party franchisees for a portion of last-mile deliveries, Leased all the logistics facilities, Regulatory shifts including implementation of India's social security code may increase compliance costs.

On the financial front, the company's Revenue grew at CAGR 32.52% from FY 23 -FY25. The company just turned positive on Profit basis in FY25. It had the highest capital turnover ratio, at 3.96x in FY25, compared to its peers among the 3PL peers in India. Its Adjusted EBITDA margin improved from (7.18)% in FY23 to 2.86% in H1FY26. It operated on PAT margin of 1.17% for H1FY26.

The issue is priced at a P/BV of 9.21 based on its NAV of Rs. 13.46 as at H1FY26 and if we annualise FY25 earnings, asking price is at P/E of ~160x. As per RHP industry average P/E is around 123x.

The business is in a high-leverage, growth-oriented phase where financial health has improved, but profitability remains sensitive to operational performance. The issue seems aggressively priced.

Looking at all the factors, risks, opportunities and valuation, investors with high risk appetite can invest with long term horizon.

Brief Financials

PARTICULARS	As at Sep. 30, 2025	₹ in Million		
		FY '25	FY '24	FY '23
Total Income	18,198.02	25,146.57	18,964.82	14,228.92
Total Expenditure	17,987.65	25,085.97	19,083.64	15,655.30
EBITDA	643.37	561.86	113.72	(1,134.69)
Profit/Loss before Tax	210.37	60.60	(118.82)	(1,426.38)
Profit after Tax	210.37	64.26	(118.82)	(1,426.38)
E.P.S. (Diluted)	0.40*	0.13	(0.28)	(3.38)
P/E (x) (Diluted)	-	1,017	-	-
RONW (%)	3.03%*	0.97%	(2.82) %	(80.90)%

PRICE CHART (@ ₹ 124) (Retail Category)

LOT SIZE	Amount
120	14,880
240	29,760
360	44,640
480	59,520
600	74,400
720	89,280
840	104,160
960	119,040
1,080	133,920
1,200	148,800
1,320	163,680
1,440	178,560
1,560	193,440

HNI Payment Chart

Category	No. of Shares	Minimum Bid Lot Amount (Rs.)
Small HNI	1,680	208,320
Big HNI	8,160	1,011,840

Indicative Time Table

Tentative Events	Indicative Dates
Finalisation of Basis of Allotment with the Designated Stock Exchange	23/1/2026
Initiation of refunds/unblocking ASBA Fund	27/1/2026
Credit of Equity Shares to demat accounts of Allottees	27/1/2026
Commencement of trading of the Equity Shares on the Stock Exchanges	28/1/2026

For more details, Please refer RHP,

https://www.sebi.gov.in/filings/public-issues/jan-2026/shadowfax-technologies-limited-rhp_99123.html

Disclaimer & Disclosures

SEBI Registration No. INH000000867

This report has been furnished to you for your general information only and should not be reproduced, re-circulated, published in any media, website or otherwise, in any form or manner, in part or as a whole, without the express consent in writing of Sushil Financial Services Private Limited. This Research Report is meant solely for use by the original recipient to whom it is sent and is not for circulation. Any unauthorized use, disclosure or public dissemination or copying of information (either whole or partial) contained herein is prohibited.

This Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice/offer for the purpose of purchase or sale of any securities mentioned herein. Past performance is not a guide for future performance, future returns are not guaranteed. Opinions expressed herein are subject to change without notice. Investor should rely on information/data arising out of their own investigations. The Sushil Equity Universe is marked as # and the fundamental reports are marked as ##.

Investors are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investor may realize losses on any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by us to be reliable. A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com Research Analyst views on Subject Company may vary based on Fundamental and Technical Research. Sushil Financial Services Private Limited or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. None of the directors, employees, affiliates or representatives of company shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages/loss etc whatsoever from the information/opinions/views contained in this Report and investors are requested to use the information contained at their risk

Sushil Financial Services Private Limited (SFSPL) and its connected companies, and their respective Directors, Officers and employees or their relative, may have a long or short position in the subject companies mentioned in the report and it may not be construed as potential conflict of interest with respect to any recommendation and related information and opinions. Reports based on technical and derivative analysis centre on studying charts company's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamental analysis. SFSPL has different business segments/Divisions with independent research and maintains arm's length distance catering to different set of customers having various objectives, risk profiles, investment horizon, etc. and therefore may at times have different contrary views on stocks sector and markets. Research Report may differ between SFSPL's RAs on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold - SFSPL, its employees and associates responsible for any losses, damages of any type whatsoever.

This Report is not intended to be a complete statement or summary of the securities, market or developments referred to in this document. SFSPL or its affiliates or employees are under no obligation to update the information. SFSPL or its affiliates or employees shall not be in any way responsible and liable for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report.

SFSPL or its affiliates and/or its employees/its associates or his relative does not have financial interest in the subject companies. SFSPL or its affiliates and/ or its employees/its associates or his relative may or may not have beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report. SFSPL/its Associates/ Research Analyst have not received any compensation from the subject company in the past twelve months. Further the subject company is/was not a client during twelve months preceding the date of distribution of the research report and the types of services provided. SFSPL or its research analyst has not served as an officer, director or employee of the subject company. SFSPL or its affiliates and/or its research analysts have not been engaged in market making activity for the subject company. SFSPL or its associates or its Research Analyst have not received any compensation or other benefits from the subject companies or third party in connection with the research report. SFSPL/its Associates/ Research Analyst/ his Relatives not have any other material conflict of interest at the time of publication of the research report.

SFSPL/its Associates/ Research Analyst have not managed or co-managed public offering of securities, have not received compensation for investment banking or merchant banking or brokerage services, have not received any compensation for product or services other than investment banking or merchant banking or brokerage services from the subject companies in the last twelve months. There is no material disciplinary action that been taken by any regulatory authority impacting equity research analysis activities.

Research Disclaimer: Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

<https://www.sushilfinance.com/Disclamier/research>
<https://bit.ly/3VbgbvL>