

Shadowfax Technologies Ltd Ltd.

IPO Note



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India's Trusted Partner For Speed and Reliable Delivery

Shadowfax Technologies Limited is a technology-enabled, asset-light logistics platform focused on last-mile and hyperlocal delivery solutions in India, headquartered in Bengaluru, Karnataka. Incorporated in 2015, the company has built a scalable digital platform that connects merchants, enterprises, and delivery partners to enable fast, reliable, and cost-efficient deliveries across urban and semi-urban markets. Shadowfax supports sectors such as e-commerce, quick commerce, retail, food delivery, FMCG, and digital marketplaces through its technology-driven fulfillment network.

Shadowfax operates within India's rapidly growing digital commerce and logistics ecosystem, driven by rising e-commerce penetration, quick commerce adoption, and increased demand for same-day and hyperlocal delivery. The company follows a platform-led business model that leverages data analytics, route optimization, and real-time tracking to improve delivery efficiency while maintaining an asset-light structure. Its operations are supported by a large network of delivery partners and technology infrastructure that enhances reliability and scalability

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Despite these risks, Shadowfax has demonstrated strong growth potential, technology differentiation, and an established presence in India's fast-evolving logistics market. The IPO comprises a fresh issue and an offer for sale, aimed at funding expansion initiatives, strengthening technology capabilities, enhancing working capital, and providing liquidity to existing shareholders while increasing the company's visibility in public markets.

Key Consolidated Financial Data (INR Cr, unless specified):

	Revenue	EBITDA	PAT	EBITDA (%)	PAT (%)	Adj EPS (₹)	Adj BVPS (₹)	RoE (%)	RoIC (%)	EV/EBIT DA (X)	P/BV (X)	P/E (X)
FY23	1,415.1	(107.4)	(142.6)	(7.6)	(10.1)	(2.5)	3.0	(80.9)	(144.0)	(66.0)	40.7	(50.3)
FY24	1,884.8	18.7	(11.9)	1.0	(0.6)	(0.2)	7.3	(2.8)	(23.8)	362.9	17.0	(603.3)
FY25	2,485.1	63.2	6.4	2.5	0.3	0.1	11.4	1.0	(1.4)	105.3	10.9	1,115.6

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Shadowfax Technologies IPO is a book build issue of INR1,907.27 Cr. The issue is a combination of fresh issue of 8.06 Cr. shares aggregating to INR 1,000.00 Cr. and offer for sale of 7.32 Cr. shares aggregating to INR 907.27 Cr.

Issue Structure	
Investor Category	Allocation
QIB	Not less than 75% of the Net Offer
NII (HNI)	Not more than 15% of the Net Offer
Retail	Not more than 10% of the Net Offer

Number of shares based on a higher price band of INR 124

Source: Company Reports

Objects of the Issue:

- 1. Funding of capital expenditure requirements of the Company in relation to the network infrastructure – INR 423.43 Cr.**
- 2. Funding of lease payments for new first mile centers, last mile centers and sort centers – INR 138.64 Cr.**
- 3. Funding of branding, marketing and communication costs – INR 88.57 Cr.**
- 4. Unidentified inorganic acquisitions and general corporate purposes**

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25	Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement							
Revenue	1,415.1	1,884.8	2,485.1	Adjusted EPS (INR)	(2.5)	(0.2)	0.1
<i>YoY Growth (%)</i>	42.9	33.2	31.8	Adjusted Cash EPS (INR)	(2.1)	0.3	1.2
Raw Material Cost	0.0	0.0	0.0	Adjusted BVPS (INR)	3.0	7.3	11.4
<i>RM Cost to Sales (%)</i>	0.0	0.0	0.0	Adjusted CFO per share (INR)	(1.3)	2.3	0.9
Employee Cost	213.7	211.6	265.6	CFO Yield (%)	(1.0)	1.8	0.7
<i>Employee Cost to Sales (%)</i>	15.1	11.2	10.7	Adjusted FCF per share (INR)	(1.7)	1.6	(0.2)
Other Expenses	1,308.8	1,654.6	2,156.4	FCF Yield (%)	(1.4)	1.3	(0.2)
<i>Other Exp to Sales (%)</i>	92.5	87.8	86.8	Solvency Ratio (X)			
EBITDA	(107.4)	18.7	63.2	Total Debt to Equity	0.3	0.1	0.0
<i>Margin (%)</i>	(7.6)	1.0	2.5	Net Debt to Equity	(0.5)	(0.9)	(0.8)
<i>YoY Growth (%)</i>	(28.1)	(117.4)	237.9	Net Debt to EBITDA	0.8	(20.5)	(8.1)
Depreciation & Amortization	24.0	27.8	65.2	Return Ratios (%)			
EBIT	(131.4)	(9.1)	(2.1)	Return on Equity	(80.9)	(2.8)	1.0
<i>Margin (%)</i>	(9.3)	(0.5)	(0.1)	Return on Capital Employed	(55.4)	(2.0)	(0.3)
<i>YoY Growth (%)</i>	(15.3)	(93.1)	(77.3)	Return on Invested Capital	(144.0)	(23.8)	(1.4)
Other Income	7.8	11.7	29.5	Working Capital Ratios			
Bill discounting & other charges	19.0	14.5	21.4	Payable Days (Nos)	24	28	32
Fin Charges Coverage (X)	(6.9)	(0.6)	(0.1)	Inventory Days (Nos)	0	0	0
Exceptional Item	0.0	0.0	0.0	Receivable Days (Nos)	41	36	48
PBT	(142.6)	(11.9)	6.1	Net Working Capital Days (Nos)	16	7	17
<i>Margin (%)</i>	(10.1)	(0.6)	0.2	Net Working Capital to Sales (%)	4.4	2.0	4.6
<i>YoY Growth (%)</i>	(19.0)	(91.7)	(154.1)	Valuation (X)			
Tax Expense	0.0	0.0	(0.4)	P/E	(50.3)	(603.3)	1,115.6
<i>Tax Rate (%)</i>	0.0	0.0	(6.0)	P/BV	40.7	17.0	10.9
PAT	(142.6)	(11.9)	6.4	EV/EBITDA	(66.0)	362.9	105.3
<i>Margin (%)</i>	(10.1)	(0.6)	0.3	EV/Sales	5.0	3.6	2.7
<i>YoY Growth (%)</i>	(19.0)	(91.7)	(154.1)	Cash Flow Statement			
Min Int/Sh of Assoc	0.0	(0.0)	(0.0)	PBT	(142.6)	(11.9)	6.1
Net Profit	(142.6)	(11.9)	6.4	Adjustments	97.3	119.0	119.3
<i>Margin (%)</i>	(10.1)	(0.6)	0.3	Change in Working Capital	(27.5)	24.5	(75.9)
<i>YoY Growth (%)</i>	(19.0)	(91.7)	(154.1)	Less: Tax Paid	0.0	0.0	0.4
Balance Sheet				Cash Flow from Operations	(72.8)	131.6	49.9
Share Capital	5.1	249.3	412.3	Net Capital Expenditure	(47.3)	(53.1)	(86.1)
Total Reserves	171.2	172.5	248.2	Change in Investments	7.5	(258.4)	(33.2)
Shareholders Fund	176.3	421.8	660.4	Cash Flow from Investing	(39.8)	(311.5)	(119.3)
Long Term Borrowings	25.8	5.7	0.3	Change in Borrowings	(33.2)	(36.7)	(54.9)
Deferred Tax Assets / Liabilities	0.0	0.0	(1.6)	Less: Finance Cost	(19.0)	(14.5)	(21.4)
Other Long Term Liabilities	1.6	5.4	89.7	Proceeds from Equity	141.9	251.5	206.7
Long Term Trade Payables	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0
Long Term Provisions	7.7	8.9	14.9	Dividend Paid	0.0	0.0	0.0
Total Liabilities	211.3	441.8	763.8	Cash flow from Financing	89.6	200.4	130.4
Net Block	83.3	117.5	329.2	Net Cash Flow	(23.0)	20.4	61.0
Capital Work in Progress	0.0	0.0	0.0	Forex Effect	0.0	0.0	0.0
Intangible assets under development	0.0	0.0	0.0	Opening Balance of Cash	103.6	80.6	101.0
Non Current Investments	0.0	0.0	0.0	Closing Balance of Cash	80.6	101.0	162.0
Long Term Loans & Advances	38.6	29.1	36.2				
Other Non Current Assets	0.0	20.0	0.0				
Net Current Assets	89.4	275.2	398.4				
Total Assets	211.3	441.8	763.8				

Source: Ventura Research

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