



BROKING

 [bajajbroking.in](http://bajajbroking.in) |  | 

# IPO Note



## Shadowfax Technologies Ltd.

19 January 2026

## Shadowfax Technologies Limited

### About the Company

- Shadowfax Technologies Ltd is a logistics solution provider company in India. The company offers e-commerce express parcel delivery and a suite of value-added offerings.
- Its service offerings include e-commerce and D2C delivery, hyperlocal & quick commerce within hours or same day, and SMS & personal courier services through Shadowfax's Flash app.
- The company's nationwide logistics network includes 4,299 touchpoints across first- and last-mile centres and sort centres as of September 30, 2025, serving 14,758 pin codes. It is supported by over 3.50 million sq ft of operational space, including 53 sort centres covering 1.80 million sq ft, for shipment consolidation, sorting, and dispatch.
- The company leases its logistics facilities and linehaul, owning automation and machinery for control. It operates a dedicated fleet of over 3,000 trucks daily as part of its asset-light linehaul network. As of September 30, 2025, the company's platform had 205,864 Average Quarterly Unique Transacting Delivery Partners.
- The company's clients include Meesho, Flipkart, Myntra, Swiggy, Bigbasket, Zepto, Nykaa, Blinkit, Kartrocket, Zomato, Uber, Pincode, Purplle, Licious, ONDC, Magicpin, among others. This makes them the only large-scale provider for last-mile and end-to-end e-commerce delivery, as well as quick commerce, food delivery, and hyperlocal services. By September 30, 2025, the company's e-commerce logistics network spanned 14,758 pin codes throughout India.

### Outlook

ShadowFax Technologies Ltd. (STL) 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. The company serves a wide category of enterprise clients including horizontal and non-horizontal e-commerce, quick commerce, food marketplace, and on-demand mobility companies. From a valuation perspective, the Company is currently valued at a P/B multiple of 9.3x based on its FY25 earnings.

### Issue Details:

Price Band (Rs)	Rs. 118 – Rs 124
Issue Size	Rs. 19.07 bn (upper band)
Fresh Issue	Rs 10 bn
Offer for Sale	Rs. 9.07 bn
Lot Size	120
Market Cap	Rs 71.68 bn (upper band)
Issue Opens	Jan 20, 2026
Issue Closes	Jan 22, 2026
Lead Manager	ICICI Securities Limited, Morgan Stanley India Company Private Limited and JM Financial Limited
Registrar	KFin Technologies Limited
Tentative Listing Date	Jan 28, 2026
Listing on	BSE, NSE

### Indicative Timetable

Finalization of Basis of allotment	Jan 23, 2026
Refund/ Unblocking of ASBA	Jan 27, 2026
Credit of Equity Shares to DP A/C	Jan 27, 2026

### Issue Breakup

QIB	Not more than 75% of the Net Offer
RETAIL	Not less than 10% of the Net Offer
NII	Not less than 15% of the Net Offer
TOTAL	100%

### Promotor Shareholding

Pre Issue Share Holding	19.41%
Post Issue Share Holding	16.71%

## Shadowfax Technologies Limited

### Objective of The Issue

The IPO proposes to utilise the Net Proceeds from the Issue towards the following objects

Particulars	Amount (Rs bn)
Funding of capital expenditure requirements of the Company in relation to the network infrastructure	Rs. 4.23 bn
Funding of lease payments for new first mile centers, last mile centers and sort centers	Rs.1.38 bn
Funding of branding, marketing and communication costs	Rs 0.88 bn
Unidentified inorganic acquisitions and general corporate purposes	Rs 3.51 bn
<b>Total</b>	<b>Rs 10 bn</b>

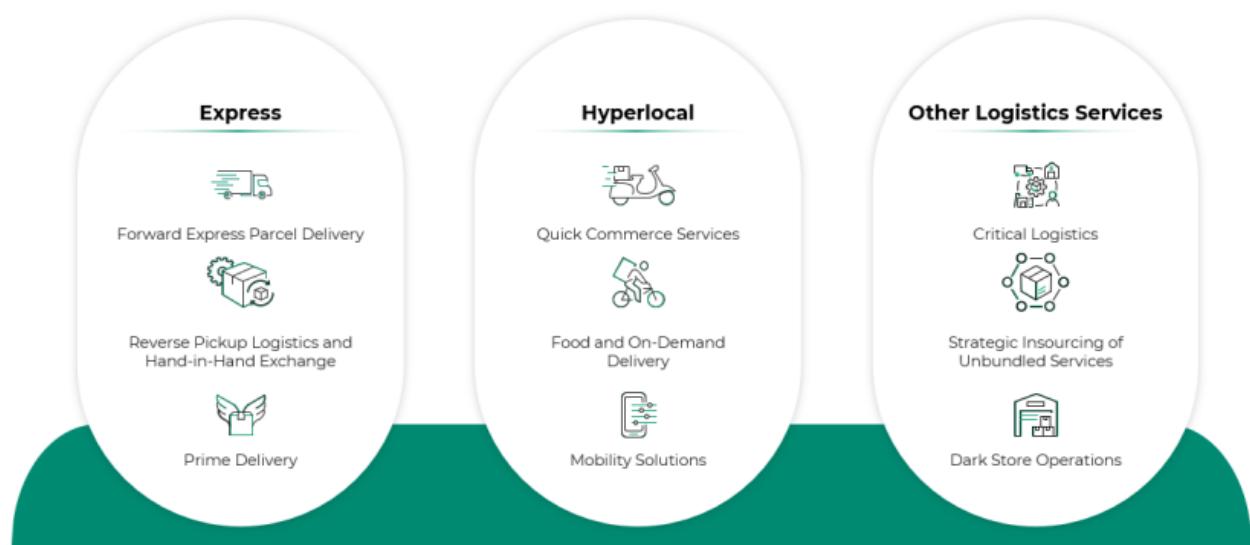
### Business Overview

- The company is a new-age, technology-led third-party logistics ("3PL") player that leverages advanced technology to facilitate digital commerce. Its service network spans 14,758 pin codes across India as of September 30, 2025, enabling wide geographic coverage. The company serves a diverse set of enterprise clients, including horizontal and non-horizontal e-commerce platforms, quick commerce players, food marketplaces, and on-demand mobility companies. Its comprehensive service portfolio includes express forward parcel deliveries, reverse pickups and hand-in-hand exchange deliveries, prime deliveries, quick commerce and on-demand hyperlocal deliveries, mobility solutions, and other critical logistics services, allowing it to address the most diverse and complex client requirements.
- One of the key drivers of the next phase of growth for 3PL providers is expected to be the development of solutions that enhance the end-customer experience. The company is focused on leveraging innovation and operational efficiency to elevate client experience, with growth expected to be underpinned by three core pillars.
- First, Velocity: fast and reliable delivery has become critical to delivering a superior end-consumer experience, especially with the increasing adoption of quick commerce. The company seeks to optimize the 'click-to-doorstep' timeline for its digital commerce clients.
- Second, Versatility: modern 3PL models demand a technology-first approach, supported by real-time fleet management and continuous innovation to drive efficiency and meet evolving consumer expectations. The company focuses on understanding the diverse needs of its clients to offer customized solutions tailored to niche requirements, with a platform designed to rapidly integrate new use cases in a cost-effective manner.
- Third, Value: delivery costs represent a significant component of the overall cost structure for online retail companies, and with rising order frequency, declining average order values, and evolving customer expectations, cost optimization has become increasingly important. The company believes its unified platform enhances network-wide efficiencies, enabling lower costs for clients while supporting broader inclusion in digital commerce.

## Shadowfax Technologies Limited

### Exhibit 1 – Revenue Model

A significant portion of the company's revenue from operations is generated from services involving direct delivery to end customers. Its technology platform supports a wide range of time-sensitive and flexible delivery requirements for a diverse client base, including Meesho, Flipkart, Myntra, Swiggy, Bigbasket, Zepto, Nykaa, Blinkit, Kartrocket, Zomato, Uber, Pincode, Purplle, Licious, ONDC, and Magicpin, among others. This positions the company as the only scaled player offering both last-mile and end-to-end delivery solutions for e-commerce, as well as last-mile delivery for quick commerce, food delivery, and other hyperlocal services. In addition, the company provides API-based integration solutions for B2C logistics, enabling digital-first businesses—such as e-commerce platforms, D2C brands, and service marketplaces—to scale their operations with reliability and speed.



The company's service offerings are broadly classified into (i) express, (ii) hyperlocal, and (iii) other logistics services.

#### 1 - Express Services

The company offers a comprehensive suite of express logistics solutions, including forward express parcel delivery and value-added services such as reverse pickup logistics, hand-in-hand exchange, and prime delivery, catering to the evolving requirements of e-commerce clients. It works with most major e-commerce platforms, including Meesho, Flipkart, Nykaa, Myntra, Kartrocket, and Purplle. As of September 30, 2025, its e-commerce logistics network covered 14,758 pin codes across India. Within the express segment, services include forward express parcel delivery, reverse pickup logistics and hand-in-hand exchange, and prime delivery.

- Forward express parcel delivery services are tailored to the specific needs of e-commerce clients and are enabled by a technology-led logistics platform designed to optimize routing and ensure faster transit times, thereby enhancing end-consumer experience. The company addresses complex delivery requirements such as open-box deliveries and scheduled time-slot deliveries, and also facilitates cash-on-delivery options, allowing end consumers to pay through cash or alternative digital payment modes such as UPI at the time of delivery.

## Shadowfax Technologies Limited

- Reverse pickup logistics and hand-in-hand exchange services involve high operational complexity, requiring stringent control mechanisms and quality checks, and often entail higher costs, leading businesses across models to rely on 3PL partners for such services. The company provides efficient management of product returns and exchanges between end consumers and sellers, supported by innovative solutions such as doorstep quality checks, hand-in-hand exchanges, and reverse pickups. This versatility has positioned the company as the largest 3PL provider for reverse pickup shipments in terms of order volume for the financial year 2025 and the six-month period ended September 30, 2025
- To address the growing demand for faster fulfilment in e-commerce, the company offers same-day and next-day delivery under its prime delivery services, improving delivery speed and overall customer experience. As of the date of the Red Herring Prospectus, its prime delivery network was operational in more than 30 cities, and it was the largest 3PL company for same-day delivery by order volume for the financial year 2025 and the six-month period ended September 30, 2025

Between the financial year 2023 and the financial year 2025, the company's express revenue grew at a CAGR of 28.74%, underscoring strong execution capabilities supported by an expanding network and continuous customization of value-added services to align with evolving industry requirements. This sustained momentum has positioned the company as the fastest-growing 3PL player of scale in India in terms of order volume between the financial year 2022 and the financial year 2025. During this period, the company significantly increased its e-commerce shipment market share from approximately 8% in the financial year 2022 to around 23% in the six-month period ended September 30, 2025.



## 2 - Hyperlocal Services

The company's differentiated network across high-density consumption centers enables it to address the growing demand for hyperlocal deliveries, particularly in the rapidly expanding quick commerce segment. In the financial year 2025 and the six-month period ended September 30, 2025, the company successfully delivered 94.79 million and 66.03 million orders, respectively. Its hyperlocal operations span three key service lines: (a) quick commerce services, (b) food and on-demand delivery, and (c) mobility solutions.

## Shadowfax Technologies Limited

### • Quick Commerce Services

The company is a leading 3PL provider in quick commerce solutions by order volume for the financial year 2025 and the six-month period ended September 30, 2025 (Source: RedSeer Report, see page 21). It partners with major quick commerce platforms such as Zepto, BigBasket, Blinkit, Flipkart Minutes, and Swiggy. While acting as an extended delivery fleet on a steady-state basis, the company also enables quick commerce players to manage supply during peak demand periods and special occasions. In addition, it supports e-commerce and D2C companies entering the quick commerce space.

Engagement models include surge demand management, electric vehicle (EV) delivery fleets, and capacity fulfilment for dark stores.

- Under the surge demand management model, the company helps clients address spikes in demand during peak hours and high-demand seasons, as quick commerce players increasingly rely on 3PL hyperlocal providers for such requirements (Source: RedSeer Report, see page 16). Its platform enables real-time API-based communication with dark stores, triggering automated alerts and re-routing delivery partners to high-demand locations, where they operate exclusively until demand normalizes.
- To support sustainability initiatives, the company offers an optional EV delivery fleet to quick commerce clients. Through partnerships with original equipment manufacturers (OEMs), it provides delivery partners access to electric vehicles on a rental basis. This is enabled through a three-sided EV marketplace ecosystem connecting delivery partners, OEMs, and quick commerce clients. The company's large fleet size allows gig-based delivery partners to access a wide range of vehicle options, complemented by dedicated priority support for EV-enabled partners.
- The company also provides capacity fulfilment for dark stores by deploying its gig-based delivery partner network to offer dedicated last-mile capacity aligned with client requirements. This model is particularly effective in high-demand cities, where it helps bridge capacity gaps during periods of elevated order volumes.

### • Food and On-Demand Delivery

The company delivers technology-driven logistics solutions for food and on-demand platforms, including pharma companies, quick service restaurants, and ONDC participants, enabling efficient management of dynamic order volumes through customized integrations. It works with a broad set of clients, including leading food delivery platforms such as Zomato and Swiggy, as well as other on-demand delivery players like Magicpin, Licious, and Pincode, to fulfil last-mile orders. Additionally, the company enables last-mile delivery of food orders on the Government of India's Open Network for Digital Commerce platform.

### • Mobility Solutions

The company is the only 3PL player among its peers to offer a two-wheeler fleet to online mobility platforms (Source: RedSeer Report, see page 20). It currently supports two-wheeler-based mobility services for an online ride-hailing platform, Uber, through API integrations and system-level fulfilment. By embedding directly into clients' demand generation engines, the company enables seamless allocation of delivery requests through its proprietary demand-supply matching infrastructure. This integration ensures high service reliability and rapid response times, with delivery assignments processed within seconds via a dynamic allocation engine.

In addition, the company facilitates customer-to-customer (C2C) and small and medium-sized enterprise (SME) package movements through its consumer-facing application, Shadowfax Flash.

## Shadowfax Technologies Limited

### 3 - Other Logistics Services

The company has expanded its service portfolio to include additional logistics offerings that leverage its pan-India and last-mile network, creating operational synergies while further strengthening its express and hyperlocal capabilities.

- **Critical Logistics** - The company facilitates the movement of high-value and time-sensitive products, including mobile phones, luxury watches, and critical spare parts such as MRI components and essential construction equipment spares, as of the date of the Red Herring Prospectus.
- **Strategic Insourcing of Unbundled Services** - By utilizing its integrated end-to-end logistics network, the company supports clients that require unbundled logistics services across specific segments of the supply chain, enabling flexible and efficient service delivery.
- **Dark Store Operations** - The company has also forayed into multi-brand, multi-category dark store operations to enable time-bound, slot-based deliveries for platforms and brands, thereby improving speed and efficiency in last-mile fulfilment. Although this vertical is at an early stage of development, the company believes it offers strong synergies with its existing logistics capabilities.

Particulars	Unit	FY 2023	FY 2024	FY 2025	H1FY26
Express Orders	Million	209.69	302.48	341.56	228.41
Hyperlocal Orders	Million	49.42	47.84	94.79	66.03
Total Orders	Million	259.11	350.32	436.36	294.45
Period-on-Period Growth Orders	%	72.04	35.2	24.56	50.11
Pin Codes Reach	#	7,955	13,169	14,387	14,758
No. of Touchpoints	#	1,817	3,093	3,964	4,299
Avg. Quarterly Unique Transacting Delivery Partners	#	1,40,468	1,01,761	1,51,385	2,05,864
Express Revenue	₹ mn	10,353.53	14,945.90	17,160.86	12,387.31
Hyperlocal Revenue	₹ mn	2,551.85	2,538.95	5,132.42	3,593.47
Other Logistics Services Revenue	₹ mn	1,245.86	1,363.37	2,558.03	2,075.66
<b>Revenue from Operations</b>	<b>₹ mn</b>	<b>14,151.24</b>	<b>18,848.22</b>	<b>24,851.31</b>	<b>18,056.44</b>
Period-on-Period Growth of Revenue	%	42.84	33.19	31.85	68.43
Profit / (Loss) for the Period	₹ mn	-1,426.38	-118.82	64.26	210.37
Adjusted EBITDA	₹ mn	-1,016.47	192.93	486.69	515.64
Adjusted EBITDA Margin	%	-7.18	1.02	1.96	2.86

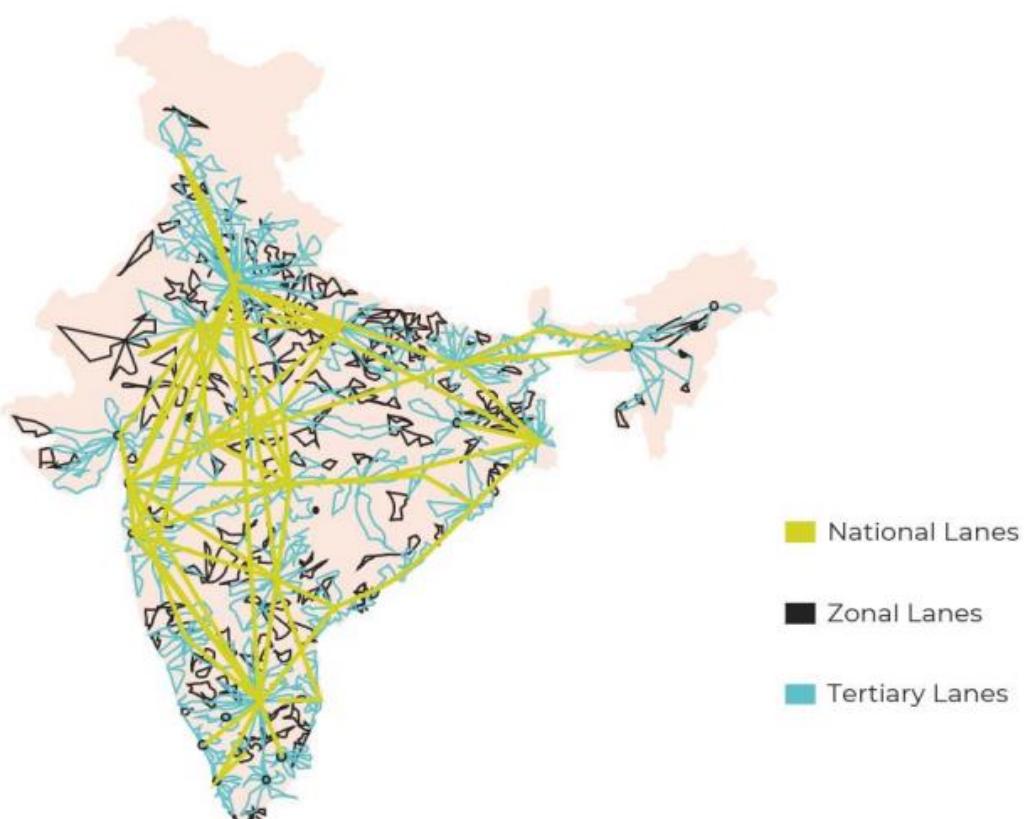
## Shadowfax Technologies Limited

### Exhibit 2 – Nationwide Network Infrastructure

The company's logistics network comprises integrated logistics facilities, including first-mile pick-up and return-to-origin centers, middle-mile sorting hubs, last-mile delivery centers, and a robust linehaul network. Its nationwide footprint, supported by proprietary technology, enables a fast, efficient, and scalable platform that can seamlessly adapt to changes in shipment volumes and profiles. As of September 30, 2025, the company operated an extensive logistics infrastructure of 4,299 touchpoints across first-mile, last-mile, and sorting centers, reaching 14,758 pin codes across India.

The network was supported by over 3.50 million square feet of operational space, including 53 sort centers spanning more than 1.80 million square feet, which manage consolidation, sorting, and dispatch operations across the network. The company follows a fully leased model for its logistics facilities and linehaul operations, while retaining ownership of automation systems and machinery to maintain operational control. Leveraging an asset-light approach, the company deploys a dedicated fleet of more than 3,000 trucks on an average daily basis as part of its linehaul network, as of the date of the Red Herring Prospectus. This model provides flexibility, consistency, and cost efficiency without the burden of asset ownership.

The company's hybrid mesh-based linehaul network is driven by dynamic routing algorithms that enable node-to-node connectivity and optimized cost structures. This design enhances operating leverage while preserving the agility required to support India's rapidly evolving digital commerce ecosystem.



## Shadowfax Technologies Limited

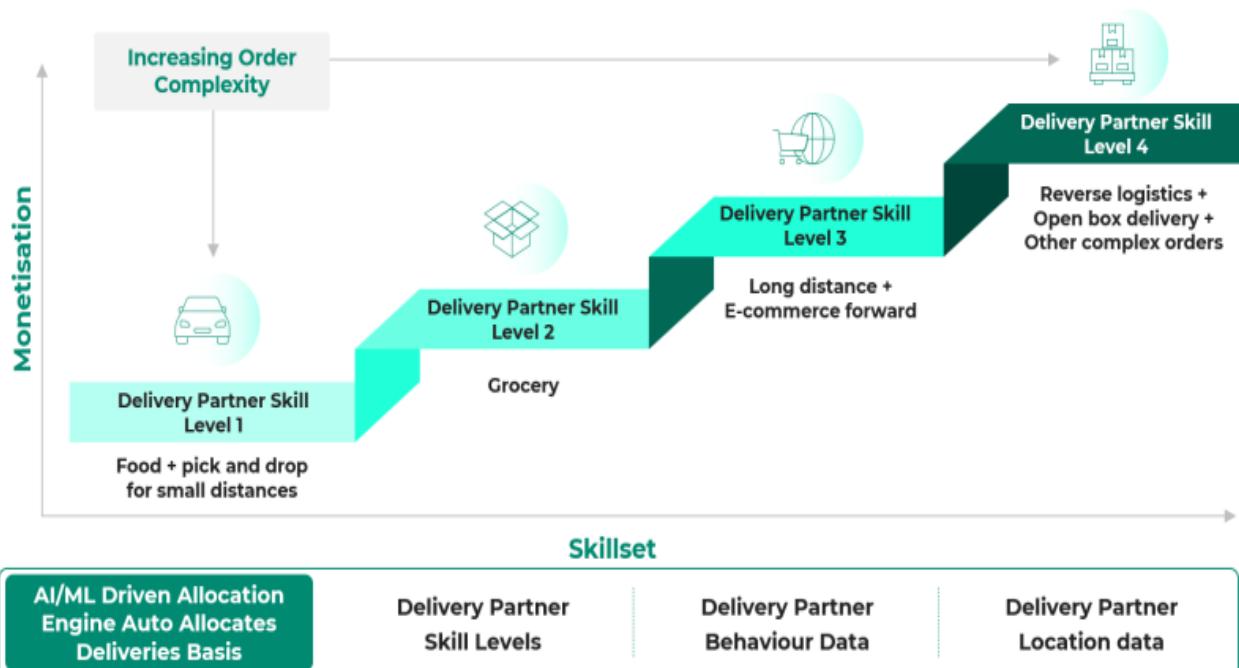
### Exhibit 3 – Last mile intra-city network of gig-based delivery partners

The company has built an expansive network of gig-based last-mile delivery partners across more than 2,300 cities and towns in India, as of the date of the Red Herring Prospectus, enabling efficient last-mile fulfilment for its clients. Among 3PL e-commerce players, the company's platform had access to India's largest crowdsourced last-mile delivery fleet in terms of average monthly transacting delivery partners for the financial year 2025 and the six-month period ended September 30, 2025. Its crowdsourced last-mile model operates on a variable cost structure, delivering cost efficiency while maintaining service quality.

Through gamification and dynamic engagement of delivery partners, the company is able to provide high-quality services, including same-day and hyperlocal deliveries at scale, without incurring the fixed overheads associated with an employed fleet. For the six-month period ended September 30, 2025, the platform recorded 205,864 average quarterly unique transacting delivery partners. In addition, the company is supported by a network of franchisee partners within its last-mile ecosystem, who also operate on a variable cost model, enabling geographic expansion while limiting fixed costs.

The company has further developed strong capabilities in high-density consumption centers to address the growing demand for hyperlocal deliveries, particularly in the quick commerce segment. By leveraging its last-mile strengths, it has established a dense intra-city delivery network within these centers. Its variable, gig-based delivery partner model ensures that delivery partner costs scale in proportion to delivery volumes, resulting in lower fixed costs and improved value propositions for clients. This structure enables continuous optimization of network infrastructure and workforce deployment.

Additionally, the company has partnered with select OEMs to provide delivery partners access to electric vehicles on a rental basis, reflecting an increased focus on sustainability. This initiative also allows delivery partners without access to two-wheelers to participate on the platform, further expanding the delivery partner base.



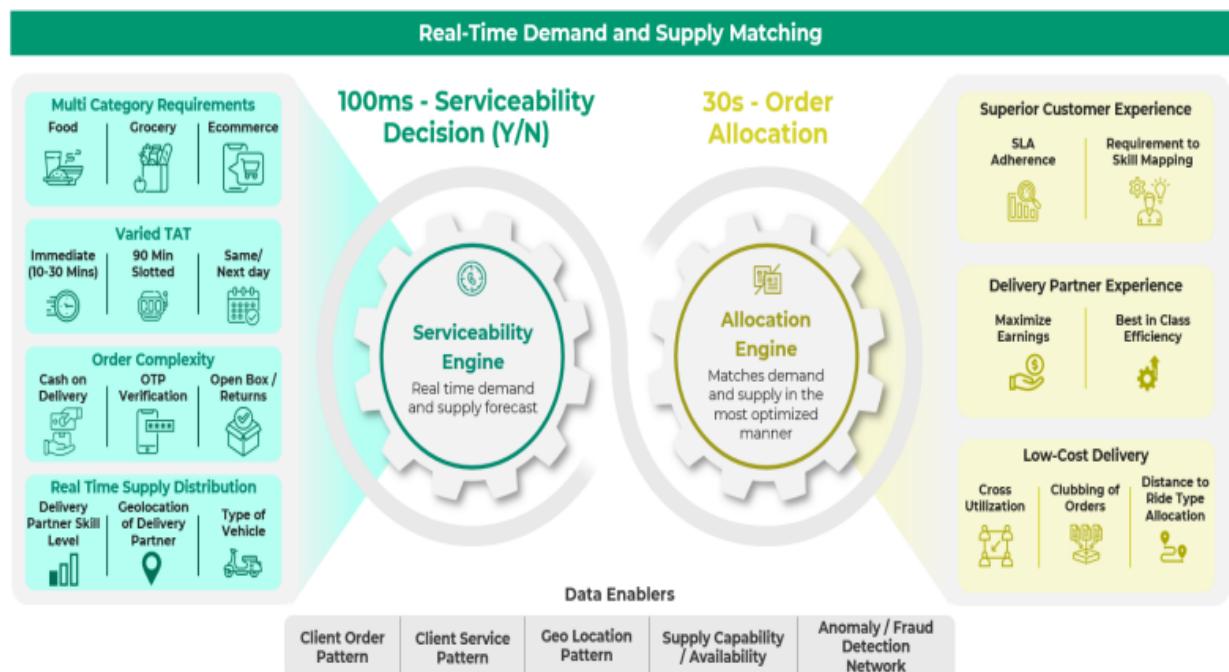
## Shadowfax Technologies Limited

### Exhibit 4 – Proprietary technology platform

The company's technology architecture lies at the core of its integrated operations, enabling service customization, network design and expansion, last-mile fleet management, and efficient demand-supply matching. Its proprietary, multi-category allocation engine addresses real-time demand and supply across a broad suite of service offerings, ensuring a seamless customer experience. The company has developed application programming interfaces (APIs) that provide customized integration capabilities to meet the diverse and evolving requirements of its clients. In addition, it has built SF Maps, an AI-driven mapping infrastructure that enables accurate geo-tagging and supports efficient last-mile operations. The company believes that its unified technology platform and automation capabilities allow its interoperable network to operate efficiently while providing a high degree of operational control, thereby setting new benchmarks for serviceability.

To enhance the experience of its gig-based delivery partners, the company has developed a proprietary mobile application that manages and coordinates all aspects of the delivery partner journey on the platform. Its technology platform and capabilities have been built in-house, supported by a dedicated engineering talent pool.

Beyond technology, the company is committed to environmental sustainability, social impact, and strong governance standards. It focuses on reducing its carbon footprint by integrating sustainable logistics practices into its operations, in line with global environmental objectives. The adoption of electric vehicles (EVs) and eco-friendly delivery solutions forms a key pillar of this strategy. The company actively promotes EV usage on its platform and has established a two-wheeler rental marketplace to enable delivery partners to access EVs. It also supports delivery partners who use bicycles for deliveries, thereby creating inclusive employment opportunities for individuals from lower socio-economic backgrounds who may not have access to motorized vehicles. For the six-month period ended September 30, 2025, an average of 23.62% of hyperlocal delivery orders on the platform each month were completed using EVs or bicycles.



## Shadowfax Technologies Limited

### Exhibit 5 – Peer Analysis

Particulars (H1FY26)	Units	Shadowfax Technologies Limited (Consolidated)	Blue Dart Express Limited (Consolidated)	Delhivery Limited (Consolidated)
Express Orders / Shipments	millions	228.41	NA	453
Hyperlocal Orders / Shipments	millions	66.03	NA	NA
Total Orders / Shipments	millions	294.45	NA	NA
Period-on-Period Growth of Orders/Shipments	%	50.11	NA	NA
Pin codes Reach	#	14,758	NA	18,830
No. of Touchpoints	#	4,299	NA	NA
Average Quarterly Unique Transacting Delivery Partners	#	2,05,864	NA	NA
Express Revenue	₹ in million	12,387.31	NA	30,140.00
Hyperlocal Revenue	₹ in million	3,593.47	NA	NA
Other Logistics Services Revenue	₹ in million	2,075.66	NA	NA
<b>Revenue from Operations</b>	<b>₹ in million</b>	<b>18,056.44</b>	<b>29,912.50</b>	<b>48,533.22</b>
Period-on-Period Growth of Revenue	%	68.43	7.17	11.26
Profit / (Loss) for the Period / Year	₹ in million	210.37	1,302.10	405.53
Adjusted EBITDA	₹ in million	515.64	NA	1,580.00
Adjusted EBITDA Margin	%	2.86	NA	3.3

Particulars (FY25)	Units	Shadowfax Technologies Limited (Consolidated)	Blue Dart Express Limited (Consolidated)	Delhivery Limited (Consolidated)
Express Orders / Shipments	millions	341.56	NA	752
Hyperlocal Orders / Shipments	millions	94.79	NA	NA
Total Orders / Shipments	millions	436.36	377.26	NA
Period-on-Period Growth of Orders/Shipments	%	24.56	4.97	NA
Pin codes Reach	#	14,387	NA	18,833
No. of Touchpoints	#	3,964	NA	NA
Average Quarterly Unique Transacting Delivery Partners	#	1,51,385	NA	NA
Express Revenue	₹ in million	17,160.86	NA	53,175.16
Hyperlocal Revenue	₹ in million	5,132.42	NA	NA
Other Logistics Services Revenue	₹ in million	2,558.03	NA	NA
<b>Revenue from Operations</b>	<b>₹ in million</b>	<b>24,851.31</b>	<b>57,201.80</b>	<b>89,319.01</b>
Period-on-Period Growth of Revenue	%	31.85	8.59	9.71
Profit / (Loss) for the Period / Year	₹ in million	64.26	2,524.20	1,621.10
Adjusted EBITDA	₹ in million	486.69	NA	1,475.06
Adjusted EBITDA Margin	%	1.96	NA	1.65

## Shadowfax Technologies Limited

<b>Particulars (FY24)</b>	<b>Units</b>	<b>Shadowfax Technologies Limited (Standalone)</b>	<b>Blue Dart Express Limited (Consolidated)</b>	<b>Delhivery Limited (Consolidated)</b>
Express Orders / Shipments	millions	302.48	NA	740
Hyperlocal Orders / Shipments	millions	47.84	NA	NA
Total Orders / Shipments	millions	350.32	359.41	NA
Period-on-Period Growth of Orders / Shipments	%	35.2	9.51	NA
Pin codes Reach	#	13,169	NA	18,793
No. of Touchpoints	#	3,093	NA	NA
Average Quarterly Unique Transacting Delivery Partners	#	1,01,761	NA	NA
Express Revenue	₹ in million	14,945.90	NA	50,765.87
Hyperlocal Revenue	₹ in million	2,538.95	NA	NA
Other Logistics Services Revenue	₹ in million	1,363.37	NA	NA
<b>Revenue from Operations</b>	₹ in million	<b>18,848.22</b>	<b>52,678.30</b>	<b>81,415.38</b>
Period-on-Period Growth of Revenue	%	33.19	1.85	12.68
Profit / (Loss) for the Period / Year	₹ in million	-118.82	3,010.10	-2,491.86
Adjusted EBITDA	₹ in million	192.93	NA	757.86
Adjusted EBITDA Margin	%	1.02	NA	0.93

<b>Particulars (FY23)</b>	<b>Units</b>	<b>Shadowfax Technologies Limited (Standalone)</b>	<b>Blue Dart Express Limited (Consolidated)</b>	<b>Delhivery Limited (Consolidated)</b>
Express Orders / Shipments	millions	209.69	NA	663
Hyperlocal Orders / Shipments	millions	49.42	NA	NA
Total Orders / Shipments	millions	259.11	328.19	NA
Period-on-Period Growth of Orders / Shipments	%	72.04	24.26	NA
Pin codes Reach	#	7,955	NA	18,540
No. of Touchpoints	#	1,817	NA	NA
Average Quarterly Unique Transacting Delivery Partners	#	1,40,468	NA	NA
Express Revenue	₹ in million	10,353.53	NA	45,522.22
Hyperlocal Revenue	₹ in million	2,551.85	NA	NA
Other Logistics Services Revenue	₹ in million	1,245.86	NA	NA
<b>Revenue from Operations</b>	₹ in million	<b>14,151.24</b>	<b>51,722.20</b>	<b>72,253.01</b>
Period-on-Period Growth of Revenue	%	42.84	17.27	4.98
Profit / (Loss) for the Period / Year	₹ in million	-1,426.38	3,705.30	-10,077.79
Adjusted EBITDA	₹ in million	-1,016.47	NA	-4,038.66
Adjusted EBITDA Margin	%	-7.18	NA	-5.59

## Shadowfax Technologies Limited

### Industry Overview

Indian retail market had observed a steady growth of approximately 9% between FY 2016 and FY 2020 before the momentum was disrupted by the pandemic. When COVID-19 restrictions eased, pent-up demand initially led to a surge in retail sales in FY 2022, with approximately 17% growth from FY 2021 before consumers gradually reverted to pre-pandemic spending patterns. The market is projected to grow at 8-10% CAGR from FY 2025 to FY 2030 due to the rising consumption trend.

India's retail landscape is transitioning towards a more organized structure. Both organized channels (online and offline) are projected to grow symbiotically, attracting a new consumer base and converting users from unorganized retail through enhanced service offerings and operational efficiency. On the supply side, organized players offer a diverse selection of quality products at competitive prices. They continue to strengthen their supplier networks, supporting ongoing enhancements in product quality and variety. Their scale enables them to negotiate favourable procurement terms, which can help them provide better and transparent value to customers through pricing and promotional offers.

Online retail is the fastest growing channel and is significantly contributing to the growth of the organized retail market in India. Online retail is projected to grow at a 20-25% CAGR from FY 2025 to FY 2030. Of this, quick commerce is the fastest growing category with a growth rate of 50-62% till FY 2030. E-commerce (excluding quick commerce) accounted for approximately 6% of the Indian retail market in FY 2025 and is projected to grow at a CAGR of 15-20%, reaching a 9-10% share of overall retail by FY 2030. Online retail is expected to grow on the back of providing consumers competitive pricing, extensive selection, and convenience, emerging innovations like quick commerce- focusing on speed, simplicity, and ease- are gaining traction and growing even faster than traditional online retail.

This increasing scale of online transactions has accelerated demand for express logistics, as businesses prioritize seamless supply chain management. Additionally, the rapid rise of quick commerce is fueling demand for ultra-fast, hyperlocal deliveries, with consumers expecting near-instant access to both essential and discretionary products.

In comparison to global markets, India continues to show substantial room for growth in online retail. As of CY 2024, online retail contributed to approximately 32% and approximately 19% to the overall retail market in China and the USA respectively. In comparison, India's online retail only contributed to approximately 7% in FY 2025.

## Shadowfax Technologies Limited

### **Key Growth Drivers for the company**

- ❑ As e-commerce continues to expand and consumers become more sophisticated, the need for value-added services that enhance customer experience is becoming increasingly critical. Consumers now expect tailored recommendations and offers that cater to their individual preferences, not only for products but also for the overall shopping experience, including delivery timelines and post-purchase services. Efficient last-mile delivery is crucial in meeting these expectations, ensuring timely and accurate order fulfillment. Additionally, easy returns, responsive customer support, and loyalty programs significantly enhance the overall shopping experience, encouraging repeat business and fostering long-term relationships with the marketplaces/brands. One of the key drivers of the next wave of growth for 3PL providers will be solutions that enhance the end-customer experience
- ❑ A significant shift in the logistics industry is the unbundling of supply chains, where even captive logistics arms increasingly outsource parts of their operations to 3PL providers. While captive players traditionally managed end-to-end supply chains inhouse, the operational and cost efficiencies offered by 3PLs have led to a more fragmented yet optimized approach. This trend sees captive players outsourcing various stages of the e-commerce supply chain- including first-mile pick-up, mid-mile transportation, and last-mile delivery to 3PL providers. The reasons range from cost reduction and service quality enhancement to network expansion and the ability to handle fluctuating demand efficiently. Even for captive shipments, they often integrate 3PL services at different touchpoints, leveraging their expertise in scaling capacity, improving transit times, and navigating complex fulfillment challenges.
- ❑ India's e-commerce sector is evolving rapidly, with same-day delivery emerging as a critical factor in enhancing customer experience. Drawing inspiration from China's fast delivery ecosystem, Indian companies are investing heavily to meet the rising demand for quicker order fulfillment. Consequently, e-commerce platforms and retailers are leveraging same-day delivery as a key differentiator to address growing consumer expectations for speed, especially during peak periods. Delivery speed plays a crucial role in ensuring a high-quality end-consumer experience, a factor that has become even more significant with the growing adoption of quick commerce.
- ❑ Leading e-commerce platforms are now offering same-day deliveries across major metropolitan and tier-I cities. This shift is facilitated by the establishment of urban fulfillment centers and dark stores, which enable brands and retailers to position products closer to consumers, thereby reducing delivery times. As the e-commerce sector continues to evolve, same-day delivery is expected to become a standard offering, reshaping consumer expectations and setting new benchmarks for service excellence in India's dynamic market
- ❑ As of July 2025, Quick Commerce platforms are present in approximately 150+ cities in India (as per population) and are expanding rapidly beyond these as well. The strong momentum seen in Tier 1 cities highlights the broader untapped opportunity to be captured by Quick Commerce. The high adoption of users is also witnessed by the increasing number of Annual Transacting Users ("ATU") rising >20x between FY 2022 and FY 2025. This is further projected to increase as city tier adoption goes up.
- ❑ As quick commerce players service newer categories, incremental demand across such categories (including high-value categories like mobiles, electronics, and fashion) is shifting towards Quick Commerce. This is visible from the increasing share of non-grocery GMV rising to 23% in FY 2025. This will drive higher AOV and consumer wallet share.

## Shadowfax Technologies Limited

### Market Opportunity

- Leading e-commerce platforms are now offering same-day deliveries across major metropolitan and tier-I cities. This shift is facilitated by the establishment of urban fulfillment centers and dark stores, which enable brands and retailers to position products closer to consumers, thereby reducing delivery times. As the e-commerce sector continues to evolve, same-day 160 delivery is expected to become a standard offering, reshaping consumer expectations and setting new benchmarks for service excellence in India's dynamic market
- As of July 2025, Quick Commerce platforms are present in approximately 150+ cities in India (as per population) and are expanding rapidly beyond these as well. The strong momentum seen in Tier 1 cities highlights the broader untapped opportunity to be captured by Quick Commerce. The high adoption of users is also witnessed by the increasing number of Annual Transacting Users ("ATU") rising >20x between FY 2022 and FY 2025. This is further projected to increase as city tier adoption goes up.
- As quick commerce players service newer categories, incremental demand across such categories (including high-value categories like mobiles, electronics, and fashion) is shifting towards Quick Commerce. This is visible from the increasing share of non-grocery GMV rising to 23% in FY 2025. This will drive higher AOV and consumer wallet share

### Key Risk

- The company's business operations are significantly dependent on a large-scale and unified network infrastructure, comprising 4,299 touchpoints across first-mile and last-mile centers as well as sorting facilities, supported by more than 3.50 million square feet of operational space and covering 14,758 pin codes as of September 30, 2025. Any disruption to this network could adversely impact its business operations, financial condition, and cash flows.
- In addition, the company's ability to sustain growth is closely linked to the balanced expansion of its network infrastructure. Any inability to scale and grow this infrastructure in an efficient and timely manner could negatively affect future growth prospects, business operations, financial performance, and cash flows.
- The company also relies on a crowdsourced delivery partner network, comprising 205,864 average quarterly unique transacting delivery partners as of September 30, 2025, with whom it does not have exclusive arrangements, for certain aspects of its operations. Any adverse change in the availability or supply of delivery partners could disrupt business operations, lead to incremental losses, and expose the company to additional operational and financial risks.

### Competitive Strength

- Agile and customisable logistics services that enable faster go-to-market for clients.
- Largest last-mile gig-based delivery partner infrastructure.
- Network infrastructure serves as the backbone of their efficient and scalable delivery system.
- Proprietary and agile technology capabilities.
- Proven business model, with focus on profitability, while delivering healthy growth.
- Experienced management team supported by entrepreneurial founders.

### Threats

- Any mishandling of goods by the company's delivery partners could result in operational inefficiencies and client dissatisfaction, which in turn may adversely affect its business, financial condition, and results of operations.
- The company also relies on third-party franchisees for a portion of its last-mile delivery operations. Any deterioration in their performance or disruption in business relationships with these franchisees could negatively impact service quality, financial performance, and the company's reputation.
- In addition, a portion of the company's clients prefer cash on delivery as a payment method. In such cases, the company acts as a limited agent for brands, merchants, and quick-commerce platforms, which introduces operational complexities and exposes the company to potential risks related to cash handling and loss.

## Shadowfax Technologies Limited

### Directors Profile

Name	Designation	Profile
<b>Abhishek Bansal</b>	Chairman, Managing Director, Chief Executive Officer & Promoter	B.Tech in Production & Industrial Engineering from IIT Delhi. Founder associated since April 21, 2015. Responsible for overall growth and profitability. Recipient of Forbes 30 Under 30, IIT GOLD Award, and Hurun India 35 Under 35. Over 10 years of experience in the logistics industry.
<b>Vaibhav Khandelwal</b>	Whole-Time Director, Chief Technology Officer & Way2Wealth Securities Promoter	B.Tech in Electrical Engineering from IIT Delhi. Associated since April 21, 2015. Leads technology and product innovation. Previously with Way2Wealth Securities. Recipient of Forbes 30 Under 30, Entrepreneur 35 Under 35, IIT GOLD Award, and Hurun India 35 Under 35. Over 10 years of logistics experience.
<b>Gaurav Jaithlia</b>	Whole-Time Director & Head – Business Strategy	Integrated M.Tech in Mathematics & Computing from IIT Delhi. Joined on December 11, 2015. Responsible for growth of key clients and inorganic expansion initiatives. Over 9 years of experience in the logistics sector.
<b>Praharsh Chandra</b>	Whole-Time Director & Chief Business Officer	B.Tech in Mechanical Engineering from IIT Delhi. Joined on July 7, 2015. Oversees revenue growth and P&L management. Previously with AT Kearney. Recipient of IIT Delhi Boss Award. Over 12 years of experience in consulting and business management.
<b>Pirojshaw Aspi Sarkari</b>	Non-Executive Independent Director	B.Com from University of Bombay; Chartered Accountant. Associated since January 21, 2025. Former MD & CEO of Gati Express, CEO of Mahindra Logistics, Mahindra Healthcare, and Country Manager at UPS. Over 25 years of experience in logistics and healthcare sectors.
<b>Bijou Kurien</b>	Non-Executive Independent Director	B.Sc from St. Joseph's College, Bangalore; PGDBM from XLRI Jamshedpur. Associated since January 1, 2025. Former senior leader at Hindustan Lever, Titan Company, and CEO – Lifestyle Business at Reliance Industries. Over 40 years of experience in management and retail/lifestyle sectors.
<b>Ruchira Shukla</b>	Non-Executive Independent Director	B.Tech in Chemical Engineering from IIT Delhi; PGDM from IIM Ahmedabad; MBA from Wharton (Palmer Scholar). Co-Founder & Managing Partner at Synapses Business Services LLP. Former Principal Investment Officer at IFC, World Bank Group. Over 12 years of experience in private equity, strategy consulting, and investment banking.
<b>Dinkar Gupta</b>	Non-Executive Independent Director	B.Com from Punjabi University; M.A. in Police Administration. IPS officer, former DGP Punjab and Director General of NIA (retired March 2024). Recipient of Police Medal for Gallantry (1992, 1994) and President's Police Medal for Meritorious (2003) and Distinguished Service (2011).

## Shadowfax Technologies Limited

### Shareholding

Prior to the IPO, the Promoter and Promoter Group collectively held 16.66% of the Company's shareholding. Pursuant to Fresh issue of 2,26,03,878 equity shares and Offer for Sale (OFS) of 2,69,42,343 equity shares, the Promoter and Promoter Group's shareholding will stand reduced to 14.92% on a post-issue basis.

Particulars	Pre Issue		IPO		Post Issue	
	No. of Shares	% Holding	Fresh Issue	OFS	No. of Shares	% Holding
Promoter & Promoter Group	9,65,86,287	19.41%		0	9,65,86,287	16.71%
Other Public	40,09,01,798	80.59%	8,06,45,161	7,31,66,855	48,15,46,959	83.29%
Total	49,74,88,085	100.00%			57,81,33,246	100.00%

#No Promoter Pledge. 3.01% equity Shares are pledged by employees of the Company who have been allotted such Equity Shares pursuant to ESOP 2016.

Public Shareholder holding more than 1%	Pre issue %
Flipkart Internet Private Limited	14.83%
Eight Roads Investments Mauritius II Limited (formerly known as FIL Capital Investments (Mauritius) II Limited)	14.15%
Newquest Asia Fund IV (Singapore) Pte. Ltd	14.08%
Nokia Growth Partners IV, LP	6.31%
International Finance Corporation	5.23%
Qualcomm Asia Pacific Pte. Ltd	3.66%
Mirae Asset Late Stage Opportunities Fund	3.35%
Mirae Asset Naver New Growth Fund I	1.93%
Mirae Asset- GS Retail New Growth Fund I	1.93%
Mirae Asset Naver Asia Growth Investment Pte. Ltd.	1.75%
Edelweiss Discovery Fund - Series I	1.53%
Kariba Holdings V Mauritius III	1.49%
Praharsh Chandra	1.13%
Gaurav Jaithlia	1.02%

## Shadowfax Technologies Limited

### Financials & Ratio Analysis

Income Statement			
Particulars	FY23	FY24	(Rs in Mn) FY25
<b>Revenue from Operation</b>	<b>14,151.2</b>	<b>18,848.2</b>	<b>24,851.3</b>
COGS	0.0	0.0	0.0
% Sales	0.0	0.0	0.0
<b>Gross Profit</b>	<b>14,151.2</b>	<b>18,848.2</b>	<b>24,851.3</b>
<i>Gross margin</i>	100.0	100.0	100.0
Employee Benefit Exp	2,137.4	2,115.6	2,655.8
Other exp inclusing hospital fees	13,148.6	16,618.9	21,633.6
<b>EBITDA</b>	<b>-1,134.7</b>	<b>113.7</b>	<b>561.9</b>
<i>EBITDA Margins</i>	-8.0	0.6	2.3
Other Income	77.7	116.6	295.3
Depreciation	240.0	277.6	652.4
<b>EBIT</b>	<b>-1,297.0</b>	<b>-47.3</b>	<b>204.7</b>
<i>EBIT Margins</i>	-9.2	-0.3	0.8
<i>Finance Cost</i>	129.4	71.6	144.1
<b>Profit before tax</b>	<b>-1,426.4</b>	<b>-118.8</b>	<b>60.6</b>
Total Tax expenses	0.0	0.0	-3.7
<i>Tax rate</i>	0.0	0.0	-6.0
<b>Profit after tax</b>	<b>-1,426.4</b>	<b>-118.8</b>	<b>64.3</b>
<i>PAT Margins</i>	-10.1	-0.6	0.3
<b>Basic EPS</b>	<b>-3.4</b>	<b>-0.3</b>	<b>0.1</b>

Balance Sheet			
Particulars	FY23	FY24	(Rs in Mn) FY25
<b>ASSETS</b>			
Fixed Assets	656.2	893.7	1,166.8
Right to Use Assets	53.3	87.3	1,212.2
Goodwill and other intangible assets	123.6	193.9	913.4
Other Financial assets	80.0	67.5	113.7
Trade Receivables	1,570.2	1,836.4	3,290.6
Cash	805.8	1,010.0	1,619.9
Other Current Assets	34.5	16.3	65.7
Other Assets	1,103.7	3,756.4	4,210.2
<b>Total Assets</b>	<b>4,427.3</b>	<b>7,861.4</b>	<b>12,592.6</b>
<b>EQUITY</b>			
Equity Share Capital	2.3	2.4	1,517.9
Other Equity	1,760.8	4,215.4	5,086.4
<b>Total Equity</b>	<b>1,763.2</b>	<b>4,217.8</b>	<b>6,604.3</b>
Lease Liability	666.9	403.3	1,322.3
Other Financial liability	941.5	1,452.2	2,147.7
Trade Payables	43.9	34.5	445.3
Other Liabilities	1,011.8	1,753.7	2,073.0
<b>Total Liabilities</b>	<b>2,664.1</b>	<b>3,643.6</b>	<b>5,988.3</b>
<b>Total Equity and Liabilities</b>	<b>4,427.3</b>	<b>7,861.4</b>	<b>12,592.9</b>

Cash Flow Statement			
Particulars	FY23	FY24	(Rs in Mn) FY25
<b>Cash Flow from operating activities</b>			
PBT	-1,426.4	-118.8	60.6
Depreciation	240.0	277.6	652.4
Operating Profit before WC change	-903.36	276.12	915.47
Changes in Assets and liability	-202.3	-957.5	552.9
Cash used in Operations	-701.04	1,233.61	362.53
Tax	-27.3	81.91	136.14
<b>Net Cash from Operating</b>	<b>-728.3</b>	<b>1,315.5</b>	<b>498.7</b>
<b>Cash Flow from investing activities</b>			
Capex	-472.54	-531.14	-860.86
<b>Net Cash from Investing</b>	<b>-398.0</b>	<b>-3,114.9</b>	<b>-1,192.7</b>
<b>Cash Flow from financing activities</b>			
Repayment of Borrowing	-472.54	-531.14	-860.86
Mutual Fund investment	-4,118.56	-8,320.08	-11,225.96
Mutual Fund redemption	4,165.89	5,880.00	11,291.21
Dividend paid	0.0	0.0	0
<b>Net Cash from Financing</b>	<b>896.1</b>	<b>2,003.6</b>	<b>1,303.9</b>
Net increase/(decrease) in Cash	-230.3	204.2	609.9
Cash at the beginning of the year	1,036.1	805.8	1,010.0
<b>Cash at the end of the year</b>	<b>805.8</b>	<b>1,010.0</b>	<b>1,619.9</b>

Ratio Analysis			
Particulars	FY23	FY24	FY25
<b>Growth (%)</b>			
Revenue	-	33.2	31.8
Employee Cost	-	-1.0	25.5
EBITDA	-	110.0	394.1
EBIT	-	96.4	533.2
PAT	-	91.7	154.1
<b>% Of Revenue</b>			
Employee Cost	15.1	11.2	10.7
EBITDA	-8.0	0.6	2.3
EBIT	-9.2	-0.3	0.8
PAT	-10.1	-0.6	0.3
<b>Return Ratios (%)</b>			
ROCE	-	-	-
ROE	-	-	-
<b>Valuation (x)</b>			
P/E	-	-	953.8
P/B	29.7	12.5	9.3
EV/EBITDA	-46.1	462.7	109.1
EV/ Sales	0.0	2.8	2.5
DEBT/EQUITY	0.2	0.1	0.1

## Disclaimer

**Bajaj Financial Securities Limited (BFSL)** is a subsidiary of Bajaj Finance Limited (BFL) and a step-down subsidiary of Bajaj Finserv Limited. The parent entities of BFSL are public listed companies and have various subsidiaries engaged in the business of NBFC, Housing Finance, Insurance, AMC etc. BFSL is *inter alia* SEBI registered Stock-Broker, Depository Participant and distributor of financial products.

**Analyst Certification:** We/I, Anand Shengde, Pabitro Mukherjee, Vikas Vyas, Nisarg Shah, Shashwat Singh, Harsh Parekh, Raunaq Murarka authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### Registration Details

Reg Office: Bajaj Auto Limited Complex, Mumbai –Pune Road Akurdi Pune 411035. | Corp. Office: Bajaj Financial Securities Ltd., 1st Floor, Mantri IT Park, Tower B, Unit No 9, Viman Nagar, Pune, Maharashtra 411014. SEBI Registration No.: INZ000218931 | BSE Cash/F&O (Member ID: 6706) | NSE Cash/F&O (Member ID: 90177) | DP registration No: IN-DP-418-2019 | CDSL DP No.: 12088600 | NSDL DP No. IN304300 | AMFI Registration No.: ARN - 163403 | AMFI Registration No.: ARN - 163403 | Research Analyst Regn: INH000010043.

Compliance Officer: Mr. Boudhayan Ghosh (For Broking/DP/Research) email @ compliance\_sec@bajajbroking.in | Contact No.: 020-48574486 | Disclaimers & Disclosures- SEBI Research Analysts Regulations, 2014

Investments in the securities market are subject to market risk, read all related documents carefully before investing.

Kindly refer to <https://www.bajajbroking.in/disclaimer> for detailed disclaimer and risk factors.

There were no instances of non-compliance by BFSL on any matter related to the capital markets, resulting in significant and material disciplinary action during the last 3 years. The information/opinion in this report are as on date and there can be no assurance that future results or events will be consistent with this information/opinion. This report is subject to change without any notice. This report and information are strictly confidential and is being furnished to you solely for your information and may not be altered in any way, transmitted to, copied or distributed, in part or in whole to any other person or to media or reproduced in any form without prior written consent of BFSL. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any jurisdiction including but not limited to USA and Canada, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject BFSL and associates / group companies to any registration or licensing requirements within such jurisdiction.

BFSL, its directors, officers, agents, representative, associates / group companies shall not be in any way responsible for any loss or damage (direct, indirect, special or consequential) that may arise to any person from any inadvertent error, use of this report/information contained in this report. The report is based on information obtained in good faith from public sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness is guaranteed. This should not be construed as invitation or solicitation to do business with BFSL.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance.

The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. BFSL offers its research services to clients as well as our prospects., though disseminated, to all customers simultaneously, not all customers may receive this report at the same time. BFSL will not treat recipients as customers by virtue of their receiving this report.

BFSL and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

BFSL or its associates may have received compensation from the subject company in the past 12 months in respect of managing/co-managed public offering of securities, for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. BFSL or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. BFSL or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report.

Research analyst or his/her relative or BFSL's associates may have financial interest in the subject company. BFSL, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Research analyst has served as an officer, director or employee of subject Company: No | Bajaj Broking has financial interest in the subject companies: No | Bajaj Broking's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report. Research analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No | Bajaj Broking has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No | Subject company may have been client during twelve months preceding the date of distribution of the research report.

A graph of daily closing prices of the securities is also available at [www.nseindia.com](http://www.nseindia.com). Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

**For more queries reach out to : Name - Bajaj Broking Research Team | Email Id - researchdesk@bajajbroking.in**

**Research Analysts:** Anand Shendge  
(DVP Derivative Analyst)

Shashwat Singh  
(Fundamental Analyst)

Pabitro Mukherjee  
(AVP Technical Analyst)

Harsh Parekh  
(Technical Analyst)

Nisarg Shah  
(Fundamental Analyst)

Raunaq Murarka  
(Derivatives Analyst)

Vikas Vyas  
(Derivative Analyst)