

Shadowfax Technologies Ltd.

'SUBSCRIBE'

20-01-2026 TO 22-01-2026

Industry: Logistics and Supply Chain

Price Band: ₹118 to ₹124

Recommendation: Subscribe for long term

Post Implied Market Cap: ₹6,821 Cr – ₹7,169 Cr

Key Data

Issue Size (₹ Cr)	₹1,907.00
Fresh (₹ Cr)	₹1,000.00
OFS (₹ Cr)	₹907.00
No of shares offered (total issue)	15,38,12,096
Face Value (₹ /share)	10
Bid Lot	120 Shares

Indicative Timetable

IPO Open Date	Tue, Jan 20, 2026
IPO Close Date	Thu, Jan 22, 2026
Allotment	Fri, Jan 23, 2026
Refunds	Tue, Jan 27, 2026
Credit of Shares	Tue, Jan 27, 2026
Listing Date	Wed, Jan 28, 2026

Shareholding (No. of shares)

Pre-Issue	49,74,88,085
Post-Issue	57,81,33,246

Issue Breakup

QIB	75%
NII	15%
Retail	10%

Shareholding Pattern

	Promoter	Public
Pre-Issue	19.13%	16.46%
Post-Issue	80.87%	83.54%

Other Details

BRLM: ICICI Securities Limited, Morgan Stanley India Company Private Limited, JM Financial Limited

Registrar: KFin Technologies Limited

Listing: BSE & NSE

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About the company

Shadowfax Technologies Ltd. is India's leading tech-enabled third-party logistics (3PL) platform, founded in 2015 and headquartered in Bengaluru. Operating on an asset-light model with a crowdsourced network of over 3 million delivery partners, it powers last-mile and hyperlocal deliveries for major players like Flipkart, Meesho, Swiggy, and Zomato. Covering over 15,000 pin codes across 2,500 cities, the company leverages proprietary AI to optimize supply chains, solidifying its position as a critical backbone for Indian e-commerce and quick commerce.

Investment Rationales

Market Leadership in High-Growth Segments: Shadowfax is the only 3PL player in India combining e-commerce express (multi-day) and hyperlocal (30-min) delivery at scale. It leads the market in reverse logistics (returns) and 3PL quick-commerce volumes.

Scalable Asset-Light Model: By crowdsourcing its fleet of 3.5 million+ registered partners and leasing facilities, the company maintains low fixed costs. This led to a sector-leading Capital Turnover Ratio of 3.96x in FY25.

Rapid Profitability Inflection: The company turned profitable in FY25 and saw net profit surge 114% to ₹21 crore in H1 FY26. This shift was driven by operating leverage, not cost-cutting, as revenue grew 68% in the same period.

Expanding Market Share: Shadowfax grew its share of India's 3PL e-commerce shipments from 8% in FY22 to 23% in 2025, effectively capturing volume from larger established rivals.

Strategic Ecosystem: Backed by Flipkart, Shadowfax is a critical backbone for India's digital economy. Its proprietary AI (SF Maps & Frodo) provides a technological edge in route optimization and address intelligence that serves as a high barrier to entry.

Risk

Heavy reliance on third-party franchisees for a portion of our last-mile deliveries.

Company depends on crowdsourced network of delivery partners.

Our views

Shadowfax Technologies Limited has scaled its operations and achieved profitability on the back of a technology-driven, asset-light logistics model, with improving margins fueled by a dominant presence in the high-frequency hyperlocal and quick commerce segments.

The ₹1,907.27 Cr IPO is a mix of a ₹1,000 Cr Fresh Issue and a ₹907.27 Cr Offer for Sale (OFS). Approximately ₹423 Cr of the fresh proceeds will be utilised for strengthening network infrastructure, while ₹138.64 Cr will fund lease payments for new sortation and delivery centers. Additional capital is allocated for branding and marketing to expand their crowdsourced partner network and for inorganic acquisitions.

Despite intense competition from incumbents and high client concentration, Shadowfax's proprietary AI-led routing and its leading 23% market share in express parcels allow it to capitalize on India's booming digital economy. We recommend a 'SUBSCRIBE' rating for long-term investors.

CONSOLIDATED FINANCIALS – BASIC FINANCIAL DETAILS

Financial & Operating Performance Indicators	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Express Orders	in crores	20.97	30.25	34.16
Hyperlocal Orders	in crores	4.94	4.78	9.48
Total Orders	in crores	25.91	35.03	43.64
Period-on-Period Growth of Orders	%	72.04%	35.20%	24.56%
Pin Code Reach	#	7955.00	13169.00	14387.00
No of Touchpoints	#	1817.00	3093.00	3964.00
Avg. Quarterly Unique Transacting Delivery Partners	#	140468.00	101761.00	151385.00
Express Revenue	₹ Cr	1035.35	1494.59	1716.09
Hyperlocal Revenue	₹ Cr	255.19	253.90	513.24
Other Logistics Services Revenue	₹ Cr	124.59	136.34	255.80
Revenue from operations	₹ Cr	1415.12	1884.82	2485.13
Period-on-Period Growth of Revenue	%	42.84%	33.19%	31.85%
Profit / (loss) for the period/year	₹ Cr	-142.64	-11.88	6.43
Adjusted EBITDA	₹ Cr	-101.65	19.29	48.67
Adjusted EBITDA Margin	%	-7.18	1.02	1.96

Source: Company RHP

Shadowfax Technologies Ltd. IPO Peer Comparison

(As on March 31, 2025)

Company Name	EPS (Basic)	EPS (Diluted)	NAV (₹ per share)	P/E (x)	RoNW (%)	P/BV Ratio	Financial statements
Shadowfax Technologies Ltd.	0.13	0.13	13.83		0.97		Consolidated
Blue Dart Express Limited	106.38	106.38	657.05	50.7	17.25	9.34	Consolidated
Delhivery Limited	2.19	2.14	124.77	195.07	1.75	2.06	Consolidated

Notes:

All financial information for the listed industry peers mentioned above is presented on a consolidated basis and sourced from the annual reports or audited results of the respective companies for the year ended March 31, 2025, unless otherwise specified.

Net Asset Value per equity share represents Net Worth at the end of the period/ year divided by weighted average number of Equity shares, weighted average number of Compulsorily convertible cumulative preference shares and vested ESOPs outstanding at the end of the period/year after considering the adjustment of bonus shares issued and conversion ratio of compulsorily convertible cumulative preference shares. Here, Net worth has been computed as a sum of equity share capital, instruments entirely equity in nature and other equity as of the end of the period/year

P/ E ratio is calculated as the closing share price on January 8, 2026, quoted on NSE/ Diluted EPS for the Financial Year ended March 31, 2025.

P/B ratio is calculated as the closing share price on January 8, 2026, quoted on NSE/ NAV as at March 31, 2025.

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