Skyways Air Services Ltd

IPO Note

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Delivering customer-centric air cargo and logistics solutions across India

Skyways Air Services Limited, incorporated in 1984, is an integrated logistics and supply chain solutions provider offering air freight, ocean freight, contract logistics, warehousing, customs clearance and value-added logistics services. The company operates across the logistics value chain, catering to industries requiring domestic and international cargo movement. Promoters Yashpal Sharma and Tarun Sharma have been associated with the business since inception.

The company operates in India's organized logistics sector, which is supported by rising international trade, e-commerce growth, supply chain outsourcing and increasing adoption of integrated logistics providers. The shift from fragmented logistics operators towards organized players, along with GST-led formalization and technology adoption, provides growth opportunities for companies with integrated service capabilities.

Skyways follow an asset-light logistics model supported by freight forwarding capabilities, warehousing infrastructure and technology-enabled supply chain solutions. It provides air freight, ocean freight, contract logistics and specialized logistics services through its operational network. Key strengths include a diversified service portfolio, long operating history and established customer relationships. Key risks include exposure to global trade cycles, freight-rate volatility, working capital requirements, dependence on third-party carriers and competition from large logistics players.

Financially, revenue increased from INR 1,289.11 crore in FY24 to INR 2,812.89 crore in FY26, implying a revenue CAGR of 47.7%. EBITDA increased from INR 49.5 crore to INR 128.7 crore, while PAT increased from INR 31.3 crore to INR 41 crore during the same period. EBITDA margin improved from 3.8% in FY24 to 4.6% in FY26.

The IPO comprises a fresh issue of INR 398.8 crore and an Offer for Sale of INR 184 crore by existing shareholders. The fresh issue proceeds will be utilized towards working capital requirements, repayment of borrowings, capital expenditure and general corporate purposes. The IPO implies a post-issue market capitalization of approximately INR 2,005.7 crore.

Industry	Air Freight/ Logistics

Scrip Details	
Listing	BSE &NSE
Open Date	Aug 24, 2026
Close Date	Aug 27, 2026
Price Band	INR 131 – 138
Face Value	INR 10
Market Lot	100 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	582.8
Issue Size (Shares Cr)	4.2
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre Issue sh. (cr)	11.6
Post Issue sh. (cr)	14.5
Post Issue Market Cap (cr)	2005.7

Shareholding	Pre (%)	Post (%)
Promoter	79.1	56.8
Public	20.9	43.2
TOTAL	**100.0**	**100.0**

Key Consolidated Financial Data (INR Cr, unless specified)

	Net Revenue	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	EPS (INR)	BVPS (INR)	ROE (%)	RoIC (%)	P/E (X)	EV/EBITDA (X)
FY23	1,484	60.4	35.0	4.1	2.4	2.4	9.0	28.0	34.9	57.3	33.7
FY24	1,289	49.5	31.3	3.8	2.4	2.2	12.8	20.3	14.1	64.2	43.2
FY25	2,248	87.8	39.2	3.9	1.7	2.7	27.0	15.8	12.7	51.2	26.7
FY26	2,813	128.7	41.0	4.6	1.5	2.8	34.0	12.3	15.1	48.9	18.8

Source: Ventura Research & Company update

Issue Structure and Offer Details.

Skyways Air IPO is a book build issue aggregating up to 582.8 crores. The issue is a combination of fresh issue of 2.89 crore shares aggregating to ₹398.8 crores and offer for sale of 1.33 crore shares aggregating to ₹184.0 crores.

Issue Structure

Investor Category	Allocation
QIB	**Not more than 50.00% of the Net Offer**
NII (HNI)	**Not less than 15.00% of the Net Offer**
Retail	**Not less than 35.00% of the Net Offer**

Number of shares based on a higher price band of INR 138

Source: Company Reports

Objects of the Issue:

The company proposes to utilise the net proceeds from the fresh issue towards the following objectives:

- Repayment/pre-payment of borrowings: INR 216.7 crore towards repayment or pre-payment of certain outstanding borrowings availed by the company and its subsidiary, Forin Container Line Private Limited.

- Funding incremental working capital requirements: INR 130 crore to support the company's growing logistics operations and working capital needs.

- General corporate purposes: Balance proceeds to be utilised towards general corporate requirements and issue-related expenses.

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25	FY26
Income Statement				
Revenue	1,484.1	1,289.1	2,247.8	2,812.9
YoY Growth (%)	*(10.5)*	*(13.1)*	*74.4*	*25.1*
Raw Material Cost	0.0	0.0	0.6	1.0
RM Cost to Sales (%)	*0.0*	*0.0*	*0.0*	*0.0*
Employee Cost	61.0	65.9	90.4	117.4
Employee Cost to Sales (%)	*4.1*	*5.1*	*4.0*	*4.2*
Other Expenses	1,362.7	1,173.7	2,069.0	2,565.8
Other Exp to Sales (%)	*91.8*	*91.0*	*92.0*	*91.2*
EBITDA	60.4	49.5	87.8	128.7
Margin (%)	*4.1*	*3.8*	*3.9*	*4.6*
YoY Growth (%)	*(12.6)*	*(18.0)*	*77.4*	*46.6*
Depreciation & Amortization	5.6	8.9	13.7	16.7
EBIT	54.8	40.6	74.1	112.0
Margin (%)	*3.7*	*3.1*	*3.3*	*4.0*
YoY Growth (%)	*(17.1)*	*(25.9)*	*82.5*	*51.2*
Other Income	12.0	27.7	23.2	26.8
Bill discounting & other charges	13.9	19.9	30.4	50.3
Fin Charges Coverage (X)	3.9	2.0	2.4	2.2
Exceptional Item	0.0	0.0	0.0	(0.8)
PBT	52.9	48.4	66.8	87.7
Margin (%)	*3.6*	*3.8*	*3.0*	*3.1*
YoY Growth (%)	*(16.5)*	*(8.5)*	*38.2*	*31.3*
Tax Expense	15.1	13.9	19.0	24.2
Tax Rate (%)	*28.5*	*28.7*	*28.4*	*27.5*
PAT	37.8	34.5	47.8	63.6
Margin (%)	*2.5*	*2.7*	*2.1*	*2.3*
YoY Growth (%)	*(17.7)*	*(8.8)*	*38.7*	*32.9*
Min Int/Sh of Assoc	(2.8)	(3.2)	(8.7)	(22.6)
Net Profit	35.0	31.3	39.2	41.0
Margin (%)	*2.4*	*2.4*	*1.7*	*1.5*
YoY Growth (%)	*(21.6)*	*(10.8)*	*25.3*	*4.7*
Balance Sheet				
Share Capital	10.4	10.4	112.4	116.4
Total Reserves	119.8	175.6	279.9	378.3
Shareholders Fund	130.2	186.1	392.3	494.7
Long Term Borrowings	19.2	67.4	105.9	107.2
Deferred Tax Assets / Liabilities	(3.5)	(3.4)	(0.3)	(6.8)
Other Long Term Liabilities	6.2	5.9	5.9	1.0
Long Term Trade Payables	0.0	0.0	0.0	0.0
Long Term Provisions	1.8	3.7	5.1	6.4
Total Liabilities	154.0	259.6	508.9	602.5
Net Block	65.9	105.3	222.9	237.1
Capital Work in Progress	12.9	29.6	44.4	75.1
Intangible assets under developmer	3.6	11.0	15.6	14.9
Non Current Investments	0.4	0.4	1.1	1.0
Long Term Loans & Advances	13.7	17.5	35.4	33.8
Other Non Current Assets	33.2	40.3	50.8	61.4
Net Current Assets	24.3	55.7	138.6	179.3
Total Assets	154.0	259.6	508.9	602.5

Fig in INR Cr (unless specified)	FY23	FY24	FY25	FY26
Per share data & Yields				
Adjusted EPS (INR)	2.4	2.2	2.7	2.8
Adjusted Cash EPS (INR)	2.8	2.8	3.6	4.0
Adjusted BVPS (INR)	9.0	12.8	27.0	34.0
Adjusted CFO per share (INR)	4.8	12.9	3.3	12.0
CFO Yield (%)	3.5	9.4	2.4	8.7
Adjusted FCF per share (INR)	(10.0)	(0.6)	(16.5)	(0.9)
FCF Yield (%)	(7.2)	(0.4)	(11.9)	(0.7)
Solvency Ratio (X)				
Total Debt to Equity	1.3	1.9	1.4	1.3
Net Debt to Equity	0.2	0.7	0.9	0.8
Net Debt to EBITDA	0.5	2.7	3.9	3.2
Return Ratios (%)				
Return on Equity	28.0	20.3	15.8	12.3
Return on Capital Employed	13.1	5.7	6.6	8.5
Return on Invested Capital	34.9	14.1	12.7	15.1
Working Capital Ratios				
Payable Days (Nos)	28	59	40	45
Inventory Days (Nos)	0	0	0	0
Receivable Days (Nos)	36	90	74	75
Net Working Capital Days (Nos)	8	31	34	31
Net Working Capital to Sales (%)	2.1	8.5	9.4	8.4
Valuation (X)				
P/E	57.3	64.2	51.2	48.9
P/BV	15.4	10.8	5.1	4.1
EV/EBITDA	33.7	43.2	26.7	18.8
EV/Sales	1.4	1.7	1.0	0.9
Cash Flow Statement				
PBT	52.9	48.4	66.8	87.7
Adjustments	(7.4)	231.3	101.6	346.8
Change in Working Capital	38.8	(78.3)	(102.2)	(235.8)
Less: Tax Paid	(15.1)	(13.9)	(19.0)	(24.2)
Cash Flow from Operations	69.2	187.5	47.3	174.6
Net Capital Expenditure	(224.3)	(209.7)	(308.1)	(224.4)
Change in Investments	4.3	3.3	1.6	(2.5)
Cash Flow from Investing	(220.0)	(206.4)	(306.5)	(226.9)
Change in Borrowings	160.0	41.8	308.6	(106.9)
Less: Finance Cost	(13.9)	(19.9)	(30.4)	(50.3)
Proceeds from Equity	0.0	0.0	0.0	193.2
Buyback of Shares	0.0	0.0	0.0	0.0
Dividend Paid	0.0	0.0	0.0	0.0
Cash flow from Financing	146.1	21.8	278.2	36.0
Net Cash Flow	(4.6)	2.9	18.9	(16.4)
Forex Effect	0.0	0.0	0.0	0.0
Opening Balance of Cash	9.2	4.6	7.5	26.4
Closing Balance of Cash	4.6	7.5	26.4	10.0

Source: Company Reports

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