

Company Business

Travel Food Services Limited operates primarily in the **travel quick service restaurant (Travel QSR) and lounge (Lounge) sectors**. The company is recognized as a **leading player in these sectors within Indian airports** based on its revenue in Fiscal 2025. As of March 31, 2025, it held approximately **26% market share in both the Indian airport travel QSR sector and the Indian airport lounge sector** (including Associates and Joint Ventures). Here are the key aspects of the company's business:

✦ Travel QSR Business

- This segment offers a **range of curated food and beverage (F&B) concepts** designed to meet customer demands for speed and convenience in travel environments.
- Revenue from Travel QSR contributed **51.68% of the total revenue from operations in Fiscal 2025**, 52.52% in Fiscal 2024, and 50.57% in Fiscal 2023.
- The company operated **442 Travel QSR outlets** as of March 31, 2025.

✦ Lounge Business

- This segment provides **lounge services within domestic and international airports**.
- The company partners with various "Lounge Partners" such as domestic and international airlines, card networks and issuers, loyalty programs, and financial institutions to offer lounge access to their customers.
- Revenue from Lounge services accounted for **44.93% of the total revenue from operations in Fiscal 2025**, 44.65% in Fiscal 2024, and 46.14% in Fiscal 2023.
- As of March 31, 2025, the company operated a total of **37 lounges**. This included 28 lounges in 10 airports in India and 8 in Malaysia.

✦ Geographical Presence : The company operates its businesses across **airports in India, Malaysia, and Hong Kong**. It also has Travel QSR outlets at select **highway sites in India**. As of March 31, 2025, the company had a presence in **3 countries and 18 airports**.

✦ Operational Model : The businesses are operated both directly and through the company's Associates and Joint Ventures. Operations are typically based on **concession agreements, commercial agreements like franchise agreements, and license agreements**, as well as property leases for warehouses. Concession fees are usually calculated as a percentage of gross turnover or a minimum guaranteed amount.

Short Summary of the Industry

✦ Growth Drivers for the Indian Market

- Increasing Passenger Traffic   • Increased Dwell Time   • Improving Airport Infrastructure
- Expanded Credit Card and Loyalty Programs
- **Rise of Low-Cost Carriers (LCCs)** : The increasing market share of LCCs, which often do not offer complimentary in-flight meals, drives demand for F&B options at airports.
- **Semi-Captive Consumers** : Airport consumers are generally less price-sensitive and seek convenience, making airport F&B a vital consumption requirement.

✦ Key Industry Characteristics and Challenges

- High Entry Barriers   • Multi-Brand Operations   • Operational Complexities
- **Pricing** : F&B pricing is strained by rising costs and consumer expectations.

IPO Details

- ✦ Total Issue Size : **1,81,81,818 Shares (Rs. 2,000 Cr.)**
- ✦ Fresh issue : **Nil**
- ✦ OFS : **1,81,81,818 Shares (Rs. 2,000 Cr.)**
- ✦ Issue Price Band : **₹1045 to 1100 per share**
- ✦ Lot Size : **13 shares**
- ✦ IPO Date : **July 7-9 2025**
- ✦ Pre IPO Promoters Holding : **100%**
- ✦ Post IPO Promoters Holding : **86.19%**

Objects of the issue

Entire Issue is OFS.



Financials of the company \_\_\_\_\_

(Fig. in Cr)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	1,687.73	1,396.32	1,067.15
EBITDA	676.34	549.99	458.05
EBITDA Margins	40.07%	39.39%	42.92%
PAT	379.65	298.12	251.29
PAT Margins	22.50%	21.40%	23.50%
ROCE	51.40%	46.14%	53.87%
Operating Cash Flows	514.79	352.92	322.14

Comparison with Peers \_\_\_\_\_

Companies	Revenue	EBTDA%	PAT%	D/E Ratio	ROCE	MCap .	P/E
Travel Food Services (FY 2025)	1,687.73 Cr.	40.07%	22.50%	0.00	51.40%	14,484 Cr.	38.15
Jubilant FoodWorks (FY 2025)	8,142 Cr.	19%	2.66%	2.08	12.90%	45,427 Cr.	199
Devyani International 2025)	4,951 Cr.	16%	Loss	2.91	6.28%	21,047 Cr.	In loss
Sapphire Foods India (FY 2025)	2,882 Cr.	17%	0.58%	0.92	5.78%	10,670 Cr.	385
Westlife Foodworld (FY 2025)	2,491 Cr.	13%	0.48	2.69	6.71%	11,916 Cr.	981
Restaurant Brands Asia (FY 2025)	2,551 Cr.	11%	Loss	2.02	-3.01%	4,760 Cr.	In Loss



Pros and Cons

Pros (Strengths & Opportunities)

- ✦ Market Leadership and Strong Position
- ✦ Significant Growth Potential in the Indian Market
- ✦ Operational Expertise and Strategic Partnerships
- ✦ The company has demonstrated consistent growth in its profit.

Cons (Weaknesses & Threats & Risks)

- ✦ Highly dependent on its airport operations Operational Complexities and High Costs.
- ✦ Travel QSR and Lounge businesses are competitive





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