



TRAVEL FOOD SERVICES LIMITED

IPO NOTE - Investor Education Series

July 2025

ISSUE HIGHLIGHTS

- ❑ The Company was originally incorporated as “Bombay Pure Foods Pvt. Ltd” on November 20, 2007, at Mumbai. The name was changed to “Travel Food Services Pvt. Ltd” March 12, 2009. Subsequently, the name was changed to “Travel Food Services Ltd” on conversion to a public limited company, on November 22, 2024.
- ❑ **Travel Food Services operates** a travel quick service restaurant (“Travel QSR”) and a lounge (“Lounge”) **business across airports in India, Malaysia and Hong Kong**. The company also has **Travel QSR outlets at select highway sites in India**.
- ❑ The company operates the **largest network of Travel QSRs outlets and airport Travel QSR outlets** in India as of March 31, 2025, **with 384 of its 413 operational outlets** being situated in airports, and the remaining in highway sites.
- ❑ In **Travel QSR sector in Indian airports**, the company has a **market share of ~26%** based on revenue (including Associates and Joint Ventures) in FY 2025.
- ❑ The company also operates the **largest network of Private airport Lounges** in India as of March 31, 2025, **comprising 28 Lounges across 10 airports**.
- ❑ In the **airport Lounge sector**, the company **has a market share of ~45%** based on revenue (including Associates and Joint Ventures) **in the airport Lounge sector in India** in FY 2025.
- ❑ The company has **long-term working relationships** with many airport operators which support the growth of its Travel QSR and Lounge businesses. As of March 31, 2025, the company was present in the **Delhi airport for 15 years**, the **Mumbai airport for 16 years**, the **Bengaluru airport for 6 years**, and the **Chennai and Kolkata airports for 11 years**.
- ❑ The company has **procured long term concessions** through bidding processes for its Travel QSR units and Lounges with **concession terms averaging 8.21 years as of March 31, 2025**.
- ❑ Since the opening of its first Travel QSR outlet in 2009 till March 31, 2025, the company has achieved a **contract retention rate of 93.94%**.
- ❑ The company **had 90 F&B brands licensed from international and regional Indian brand partners, in addition to 37 in-house brands**, as of March 31, 2025. This includes international brands such as **KFC, Pizza Hut, Wagamama, The Coffee Bean & Tea Leaf, Subway and Krispy Kreme**, regional Indian brands such as **Bikanervala and Third Wave Coffee**, and in-house brands such as **Caféccino, Curry Kitchen, Idli.com and Dilli Street**.

BRIEF FINANCIAL DETAILS*

(₹ IN Cr)

Particulars	As at March 31st,		
	2025	2024	2023
Share Capital	13.17	3.87	3.87
Net Worth as stated	1,048.45	869.05	651.12
Total Borrowings	-	63.78	31.05
Revenue from Operations	1,687.74	1,396.32	1,067.15
EBITDA as stated	676.35	549.99	458.05
EBITDA Margin (%) as stated	40.07	39.39	42.92
Net Profit for the period	379.66	298.12	251.30
PAT Margins (%)	21.54	20.39	22.77
EPS – Basic & Diluted (₹)	27.58	21.85	18.52
ROE(%)	35.47	33.57	37.79
ROCE (%)	51.40	46.14	53.87
NAV (₹) as stated	79.62	66.00	49.45

Source: RHP, *Restated Consolidated, note: the company approved sub-division of its equity shares from ₹ 10/each to ₹ 1/each on October 24, 2024 and subsequently, on November 5, 2024, issued 2.4 bonus shares for every 1 held to the existing shareholders

Issue Details

Offer for Sale Equity Shares aggregating upto ₹ 2,000 Cr

Issue size: ₹ 2,000 Cr

Face value: ₹ 1/-

Price band: ₹ 1,045 – 1,100

Bid Lot: 13 Shares and multiples thereof

Employee Reservation: Equity Shares aggregating upto ₹ 4 Cr

Employee Reservation: ₹ 104/share

Post Issue Implied Market Cap = ₹ 13,761 – 14,485 Cr

BRLMs: Kotak Mahindra Capital, HSBC Securities, ICICI Securities, Batlivala & Karani Securities

Registrar: MUFG Intime India Pvt Ltd

Issue opens on: Monday, 07th July 2025

Issue closes on: Wednesday, 09th July 2025

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	10-07-2025
Refunds/Unblocking ASBA Fund	11-07-2025
Credit of equity shares to DP A/c	11-07-2025
Trading commences	14-07-2025

Issue Break-up

	No. of Shares		₹ In Cr	% of Issue
	@Lower	@Upper		
QIB	95,50,238	90,72,726	998.00	50%
NIB	28,65,072	27,21,819	299.40	15%
-NIB2	19,10,048	18,14,546	199.60	-
-NIB1	9,55,024	9,07,273	99.80	-
RET	66,85,168	63,50,909	698.60	35%
EMP	42,507	40,160	4.00	
Total	1,91,42,985	1,81,85,614	2000.00	100%

NIB-1= Bid between ₹ 2-10 Lakhs NIB-2 = Bid Abv ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	13 Shares	182 Shares	910 Shares
Minimum Bid Lot Amount (₹)	₹ 14,300 [^]	₹ 2,00,200 [^]	₹ 10,01,000 [^]
Appl. for 1x	4,88,531 Applications	4,985 Applications	9,970 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre issue	Post issue~^
131,679,484	131,679,484

~@Lower price Band ^@ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters & Promoter Grp	100.00%	86.19%
Public	-	13.81%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The Company was originally incorporated as “Bombay Pure Foods Pvt. Ltd” on November 20, 2007, at Mumbai. The name was changed to “Travel Food Services Pvt. Ltd” March 12, 2009. Subsequently, the name was changed to “Travel Food Services Limited” on conversion to a public limited company, on November 22, 2024. The company operates a travel quick service restaurant (“Travel QSR”) and a lounge (“Lounge”) business across airports in India, Malaysia and Hong Kong. The company also has Travel QSR outlets at select highway sites in India. As of March 31, 2025, the company’s F&B brand portfolio includes 127 partner and in-house brands. The company has partnered with various Lounge Partners to provide their customers with Lounge access.

Brief Biographies of Directors and Key Managerial Personnel

Ashwani Kumar Puri is the **Chairman and Independent Director** of the Company. He has been a director in the Company since November 23, 2024. He has over 34 years of experience in the financial advisory and consulting sector. Previously, he was associated with PricewaterhouseCoopers, Veritas Advisors LLP and director on board of Aditya Birla Finance and Coforge. Currently, he serves as director on the boards of Healthium Medtech and Titan Company.

Varun Kapur is the **Managing Director and Chief Executive Officer** of the Company. He has been a director in the Company since February 1, 2013. He has 14+ years’ experience in the hospitality industry. As the MD & CEO, he is responsible for overall strategy and management of the business.

Geeta Mathur is the **Independent Director** of the Company. She has been a director in the Company since November 23, 2024. Currently, she serves as a director on the boards of Info Edge (India) Limited, Dixon Technologies (India) Limited, Healthcare Global Enterprises Limited, 360 One Wealth and Asset Management Limited, amongst others.

Karan Kapur is a **Non-executive Director** of the Company and has been a director in the Company since June 27, 2018, and was also a Director of the Company from January 5, 2009, to February 1, 2013. He has over 14 years of experience in the hospitality industry.

Sonu Halan Bhasin is a **Non-executive Director** of the Company. She has been a director in the Company since November 23, 2024. Previously she has been associated with Tata Capital, Yes Bank and Axis Bank. She has experience of over 30 years across the financial and non-financial sector. Presently, she serves as a director on the boards of Berger Paints India, Max Life Pension Fund, Multi Commodity Exchange of India, and Mahindra First Choice Wheels, amongst others.

Vikas Vinod Kapoor is the **Whole-time Director** and **Chief Financial Officer** of the Company. He has been a director in the Company since November 11, 2024, and was appointed as the Chief Financial Officer since November 27, 2024. Previously, he was associated with Tata Sky and Invensys India. He has over 25 years of experience in the finance industry.

OFFER DETAILS

The Offer for Sale by:	No. of Shares	WACA per Equity Share (₹)
Promoter Selling Shareholder:		
Kapur Family Trust	Upto 1,81,85,614 [^] Equity Shares	0.00

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Offer for Sale of Equity Shares [^]	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter and Promoters Group					
Promoter & Promoter Group	13,16,79,484	100.00%	1,81,85,614	11,34,93,870	86.19%
Total for Promoter & Promoter Group	13,16,79,484	100.00%	1,81,85,614	11,34,93,870	86.19%
Public	0	0.00%	-	1,81,45,455	13.81%
Total for Public Shareholder	0	0.00%	0	1,81,45,455	13.81%
Total Equity Share Capital	13,16,79,484	100.00%		13,16,79,484	100.00%

Source: RHP, [^] @upper Band

BUSINESS OVERVIEW

The company is a leading player in the fast-growing Indian airport travel quick service restaurant (“Travel QSR”) and lounge (“Lounge”) sectors based on revenue in FY2025, with a market share based on revenue of ~ 26% in the Indian airport travel QSR sector and ~ 45% in the Indian airport Lounge sector in FY2025. The company’s Travel QSR business comprises a range of curated food and beverage (“F&B”) concepts across cuisines, brands and formats to cater to customers’ demands for speed and convenience within travel environments.

The company’s F&B brand portfolio comprises of 127 partner and in-house brands, utilized in the operation of 442 Travel QSRs across India and Malaysia as of March 31, 2025. The company’s Travel QSRs are mainly located within airports, with select outlets in highway sites. The Lounge business comprises designated areas within airport terminals, accessible primarily by first and business class passengers, members of airline loyalty programmes, select credit card and debit card holders and members of other loyalty programmes. The company had 37 Lounges across India, Malaysia and Hong Kong as of March 31, 2025.

The company has presence in 14 airports in India, 3 airports in Malaysia and 1 airport in Hong Kong as of March 31, 2025, through its Travel QSR and Lounge businesses. As per CRISIL, these 14 airports served 74% of the total air passenger traffic in India in FY 2025. These airports include the Delhi airport, Mumbai airport, Bengaluru airport, Hyderabad airport, Kolkata airport, and Chennai airport.

The company operates the largest network of Travel QSRs outlets and airport Travel QSR outlets in India as of March 31, 2025, with 384 of the company’s 413 operational outlets being situated in airports, and the remaining in highway sites. Further, the company also operates the largest network of Pvt. airport Lounges in India as of March 31, 2025, comprising 28 Lounges across 10 airports.

From 2009 until March 31, 2025, the company has maintained a contract retention rate (i.e. the number of airport concession agreements which expired and were either renewed or won back as a percentage of the total number of airport concession agreements which expired) of 93.94%.

The company benefits from the combined experience of its Promoters, (i) SSP Group plc (“SSP”), SSP Group Holdings Limited, SSP Financing Limited and SSP Asia Pacific Holdings Limited, and (ii) Kapur Family Trust, Varun Kapur and Karan Kapur. SSP is a FTSE 250 company listed on the London Stock Exchange. SSP had a network of over 3,000 F&B and Lounge outlets in 38 countries as of March 31, 2025, with outlets spread over 600 locations on 6 continents as of May 31, 2025. K Hospitality is the flagship hospitality brand under which the Kapur Family Trust operates, owns or invests in various hospitality and food services companies, including the Company (collectively, “K Hospitality”). K Hospitality has a presence in 35 cities in India and internationally, as of March 31, 2025.

Travel QSR Business

As of March 31, 2025, the company had a total of 442 Travel QSRs, comprising 384 outlets across 13 airports in India, 29 outlets across 2 airports in Malaysia and 29 outlets across 9 highway sites in India, operated directly through the Company and its Subsidiaries and indirectly through the Associates and Joint Ventures. The company operated 270 Travel QSR outlets directly while the remaining 172 outlets were operated by its Associates and Joint Ventures, as of March 31, 2025.

The company offers quick service formats adapted for the travel environment, such as fast food, cafes, bakeries, food courts, and bars, mainly within airports as well as at select highway sites. The company offer a range of F&B options across brands, cuisines, different parts of the day and formats, to cater to the varying needs and budgets of its customers.

The company works closely with its regional Indian and international brand partners to adapt their F&B concepts for the travel environment. Additionally, the company has developed in-house portfolio of brands to cater to needs of travellers and the travel environment.

The company’s Travel QSR outlets operate 24/7 at certain airports with heavy air passenger traffic, whereby travellers at such airports are able to get access to freshly cooked hot food around the clock, serviced by the company’s central kitchen setups at airports. In certain airports, the company has introduced food carts in ancillary areas around the airport to provide additional F&B options at convenient locations to air passengers.

The company’s Travel QSRs at highway sites typically feature multi-brand food courts and cafes as primary formats. At such locations, the company has outlets featuring its in-house brands, and outlets operated under partner brands. Some of the highway sites are equipped with drive-throughs and provide takeaway options.

F&B Brand Portfolio

As of March 31, 2025, the company's F&B brand portfolio comprised 127 brands, of which 32 were international brands, 58 were regional Indian brands and 37 were in-house brands. The company's in-house brands offer bespoke concepts that the company has developed based on the market and customer insights.

The in-house brands are available in diverse QSR formats, including cafes, food courts and fast food outlets. They have also served as a key differentiator in the company's business, winning several awards, such as the 'Most Admired Food Court Operator of the Year' from Mapic India Retail Awards in 2022.

Partners brands in the portfolio

	As at March 31 st ,		
	2025	2024	2023
Partner brands	90	76	95

Select list of the partner brands (regional Indian & international) as on March 31,2025



Source: RHP

The company is well placed to benefit from the expected growth in the Travel QSR sector in airports in India, given its F&B brand portfolio and presence across key airports in India. As per CRISIL Report, the Indian airport Travel QSR sector is expected to grow a CAGR of 17-19% from FY 2025 to 2034, to reach a size of ₹ 170-180 billion.

Consolidated revenue from Travel QSR by partner brands and in-house brands

Particulars	As at March 31 st ,					
	2025		2024		2023	
	₹ Cr	%	₹ Cr	%	₹ Cr	%
Partner Brands	474.15	54.37%	398.98	54.44%	291.47	54.06%
In-house brands	398.00	45.63%	333.86	45.56%	247.67	45.94%
Revenues from Contract with Customers – Travel QSR	872.15	100.00%	732.84	100.00%	539.14	100.00%

Source: RHP

Lounge Business

The company commenced its Lounge business in February 2014 at Mumbai Airport Terminal 2. In 2022, through a strategic partnership with SSP Asia Pacific Holdings Limited, the company further expanded its Lounge portfolio outside India and into Malaysia with the opening of its first set of Lounges in Malaysia.

The company's Lounge business comprised a total of 37 Lounges, including 28 Lounges located in 10 airports in India, 8 Lounges located in 3 airports in Malaysia and 1 lounge located in Hong Kong, as of March 31, 2025. Of the 37 Lounges, 13 were operated directly through the Company and Subsidiaries and 24 Lounges were operated through its Associates and Joint Ventures.

The company has partnered, directly and through third parties, with domestic and international airlines, card networks and issuers, loyalty partner programmes, Lounge access programmes and financial institutions (collectively, “Lounge Partners”) to provide their customers with access to its Lounges. The company’s direct customers primarily include first and business class passengers, members of airline loyalty programmes, select credit card and debit card holders, members of other loyalty programmes, and for select Lounges, walk-in customers (collectively, “Lounge Customers”).

The company generates a significant share of its revenue from the Lounge business on a per person basis. Under this arrangement, the company charges a specified fee to its Lounge Partners for each instance of use of its Lounge services by their respective Lounge Customers. The company raises its invoices on the Lounge Partners on a monthly basis.

As per CRISIL, the Indian Lounge industry is expected to grow at a CAGR of 22-24% between FY 2025 and FY 2034 to reach ₹ 155-165 billion, while the global Lounge market is expected to grow at a CAGR of 8.5-10.5% from 2024 to 2029 in the medium term, and 7.5-8.5% from 2024 to 2034 in the longer term, reaching a size of US\$15-16 billion by 2034. The company plans to roll out the ARAYA umbrella brand for its Lounge business growth strategy, under which the company will offer different Lounge brands, ranging from luxury to premium and value.

REVENUE FROM OPERATIONS

(₹ Cr)

Particulars	As at March 31 st ,		
	2025	2024	2023
Revenue from Contracts with Customers			
Travel QSR	872.15	732.84	539.14
Lounge services	758.36	623.49	492.42
Management and other services	57.05	38.99	34.54
Total - Sale of products & services	1,687.55	1,395.32	1,066.10
Sales – Miscellaneous Services	0.19	1.00	1.05
Revenue from operations	1,687.74	1,396.32	1,067.15

KEY PERFORMANCE INDICATORS – OPERATIONAL

	As at March 31 st ,		
	2025	2024	2023
Number of Airports	18	16	13
Number of Countries	3	2	2
Number of outlets - Travel QSR	442	369	282
Number of lounges operated	37	30	25
LFL sales growth (%)	4.55	18.01	166.64
Net contract gains (%)	15.66	13.47	12.51
No. of brand partners	90	76	55

Source: RHP

MARKET OPPORTUNITY

- **Growth of the aviation sector supported by both demand and supply drivers:** On the demand side, domestic air passenger traffic expected to grow at a CAGR of 8% to 9% and international air passenger traffic at a CAGR of 6% to 8% from FY 2025 to FY 2034. The share of Low Cost Carriers (LCCs) in domestic air passenger traffic has increased from 66% in FY 2016 to ~75% in 6 Months ended September 30, 2024. The increased accessibility provided by LCCs boosts passenger volume and also stimulates economic activity by enabling more frequent travel for both business and leisure. On the supply side, there has been increase in capital expenditure for greenfield and brownfield projects. Currently, there are 30-35 airports in India witnessing capex activity. The total number of airports in India is expected to grow to 165-185 by FY 2029 and 185-205 by FY 2034. The Government of India targets to increase the number of airports to 300 by 2047.
- **Travel QSRs and Lounges in airports benefit from several key drivers:** In India, time spent at the airport is higher than the global average owing to early closures of check-in counters. Airports are increasingly focusing on streamlining processes, which may result in increased dwell times. The higher dwell time enables passengers to avail themselves of the dining options, shopping, entertainment and Lounge experiences within airports. Travel QSRs in airport are boosted by the growth of LCCs as the majority of LCCs do not offer F&B options in-flight, resulting in passengers purchasing F&B products before boarding their flights. Lounges benefit from the growth of credit cards and loyalty programmes offering Lounge access.
- **Under penetration of Lounges in Indian airports and headroom for growth of airport Lounges globally:** As of September 2024, Indian airports had an average of approximately 0.7 Lounges per airport, with larger airports in

Mumbai (Maharashtra), Bengaluru (Karnataka) and Delhi each having 8-10 Lounges, significantly lower than key global airports. The Indian Lounge industry is expected to grow at a CAGR of 22-24% between FY 2025 and FY 2034 to reach ₹ 155-165 billion.

- **Significant government and Private infrastructure investment is expected to drive the growth of the wayside amenities and expressway travel QSR industries:** The National Highways Authority of India (“NHAI”) has been actively pushing the development of 1,000 wayside amenities (“WSAs”) to enhance the travel experience and support the growing national highway infrastructure. As of March 31, 2025, India had 21 operational expressways. India is expected to have 35-45 expressways by FY 2029 and 55-65 by FY 2034.

OPERATIONS

The company’s Travel QSRs and Lounges are typically managed under the following structure:

- culinary team, chefs, front-line sales and service staff, who are responsible for preparing and/or serving F&B;
- multi-outlet operational managers, who are responsible for several outlets at a particular airport; and
- general managers who are responsible for oversight of all aspects of the operations of a particular airport, which can include a combination of Travel QSRs and/or Lounges.

BRAND PARTNERSHIPS AND FRANCHISE ARRANGEMENTS

The company offer its brand partners the opportunity to expand their footprint and assist them in overcoming the operational challenges posed by the Indian Travel QSR sector’s high security and operation-intensive environment. The company’s brand partners benefit from its relationships with leading airport operators to gain access to strategic locations within airport terminals with high customer traffic.

The company pays royalty fees to certain of its brand partners, including brands franchised from K Hospitality. Pursuant to the agreements, brand partners set out requirements regarding product sourcing, in-house production and training. For certain partner brands such as Subway, KFC and Pizza Hut, prices of items on the menu are determined in consultation with the brand partners. For other brands, pricing is set and updated periodically based on costs and prevailing market conditions. Further the company is permitted to use the trademarks and other intellectual property associated with the partner brands in the operation of the relevant outlets, subject to payment of mutually agreed license fees and by separately executing license agreements for such usage. The tenure of the franchise arrangements for an outlet are typically the same as the tenure of such outlet’s concession agreement.

CONCESSIONS AND STRATEGIC PARTNERSHIPS

For the company’s Travel QSR and Lounge product/service lines, the company operated under concession agreements for outlets located at airports and for certain Travel QSRs, at highway sites, as of March 31, 2025. The term of the airport concessions for the Travel QSRs and Lounges typically ranged from five to 20 years, or an average tenure of 8.21 years as of March 31, 2025. These arrangements provide for either Travel QSRs or Lounges only or both Travel QSRs and Lounges.

Overview of the remaining life of the airport concession agreements as on March 31, 2025

	Less than 5 years		5-10 years		More than 10 years	
	No. of Concessions	%	No. of Concessions	%	No. of Concessions	%
Airport concessions	31	44.29%	28	40.00%	11	15.71%

Strategic Partnerships: The company has entered into strategic partnerships for the operation of Travel QSRs and/or Lounges within the airports operated by its strategic partners. As of March 31, 2025, 172 of the company’s 442 Travel QSRs were operated through Associates and a Joint Ventures, while 24 of the company’s 37 Lounges were operated through Associates and a Joint Ventures. Through the strategic partnerships with airport operators, the company is able to secure long-term concessions within the airports under its strategic partners’ purview and benefit from resource and expertise sharing.

OUTLET EXPANSION AND CLOSURES

The company’s growth across its businesses has been facilitated by a well-defined new outlet expansion process that enables it to identify locations and expand its footprint quickly, consistently and efficiently.

Net new openings in Travel QSR and Lounge businesses

	As at March 31 st ,		
	2025	2024	2023
Net new openings in Travel QSR outlets	73	87	88
Net new openings in Lounge outlets	7	5	8
Total net new openings	80	92	96

Source: RHP; Net New Openings = Opened due to new awards (-) existing outlets permanently closed

COMPETITIVE STRENGTHS

- Leading player in the Travel QSR and Lounge sectors in Indian airports**



The company was the leading player in the Travel QSR and Lounge sectors in airports in India based on its revenue in FY2025. The company operated the largest network of Travel QSRs in India, and the largest network of Pvt. Lounges in Indian airports as of March 31, 2025. In Travel QSR sector in Indian airports, the company has a market share of ~ 26% based on revenue (including Associates and Joint Ventures) in FY 2025.

In the airport Lounge sector, the company has a market share of ~45% based on revenue (including Associates and Joint Ventures) in the airport Lounge sector in India in FY 2025. The company's network of Travel QSRs and Lounges spanned 14 airports in major hubs such as Delhi (Maharashtra), Bengaluru (Karnataka), Hyderabad (Telangana) and Chennai (Tamil Nadu).

The company's is well positioned to capture expected growth within the Indian Travel QSR and Lounge sectors given its presence within these airports.

The company has procured long term concessions through bidding processes for its Travel QSR units and Lounges with concession terms averaging 8.21 years as of March 31, 2025. In February 2024, the company won the F&B and Lounge concession for the Noida Airport for a term of 10 years. Since the opening of its first Travel QSR outlet in 2009 till March 31, 2025, the company has achieved a contract retention rate (i.e. number of airport concession agreements which expired and were either renewed or won back as a percentage of the total number of airport concession agreements which expired) of 93.94%.

- Strong expertise in operating and handling the distinct challenges of F&B in the operationally complex and highly secure airport environment**

In order to operate within the airport environment, the company has built up an experienced team to manage and oversee airport security clearance requirements for the Company, directors and employees for the day-to-day operations as well as new outlet constructions. The company operates a large number of Travel QSRs across a variety of brands and across different terminals in the airports in which it is present.

In order to deliver and cater F&B orders efficiently and handle sudden increases in customer demand, the company has developed an operational infrastructure that enables the company to simultaneously manage multiple operating standards, training programmes and recipes, multiproduct supply chains, and standard operating procedures for each partner brand and in-house brand. This includes the establishment of central kitchens located inside or near terminal buildings which feature multi-cuisine sections that facilitate the supply of fresh food and other supplies to its outlets and can accommodate fluctuations in air passenger traffic.

- Proven and established track record of long-term working relationships with airport operators**

The company has long-term working relationships with many airport operators which support the growth of its Travel QSR and Lounge businesses. As of March 31, 2025, the company was present in the Delhi airport for 15 years, the Mumbai airport for 16 years, the Bengaluru airport for 6 years, and the Chennai and Kolkata airports for 11 years. The company has been present in Delhi Terminal 3 and Mumbai Terminal 2 since their inauguration in 2010 and 2014, respectively. In addition, the company has been the sole F&B concessionaire and Lounge operator in the Chennai Airport and Kolkata Airports operated by AAI since 2014.

Through its strategic partnerships with airport operators, the company secure long-term concessions within the airports under its strategic partners' purview. The company formed a JV, with GMR Airports Ltd for the various airports operated by GMR including Goa Mopa, and Hyderabad airports. The company also formed a strategic partnership with Adani Airport Holdings

and AJ Holding in February 2024 in relation to operations at (i) Mumbai, (ii) Ahmedabad, (iii) Jaipur, (iv) Mangalore, (v) Lucknow, (vi) Guwahati, (vii) Thiruvananthapuram and (viii) Navi Mumbai airports.

As of March 31, 2025, the company had 70 airport concessions for the operation of single and/or multiple outlets in India, Malaysia and Hong Kong. The term of these concessions for the Travel QSRs and Lounges typically ranged from 5 to 20 years, or an average tenure of 8.21 years as of March 31, 2025. As of March 31, 2025, the average remaining duration of the airport concessions was 6.01 years. The company's Associates and JV's have enabled the company to efficiently expand its operations into new airports, including recent concession wins such as Lucknow and Ahmedabad airports in 2024, Mopa and Hyderabad airports in 2023, and Guwahati and Thiruvananthapuram airports in 2022.

- ***Diversified portfolio of partner F&B brands franchised from high-quality brand partners and inhouse F&B brands***

The company had 90 F&B brands licensed from international and regional Indian brand partners, in addition to 37 in-house brands, as of March 31, 2025. This includes international brands such as KFC, Pizza Hut, Wagamama, The Coffee Bean & Tea Leaf, Subway and Krispy Kreme, regional Indian brands such as Bikanervala and Third Wave Coffee, and in-house brands such as Caféccino, Curry Kitchen, Idli.com and Dilli Sreet.

The company's brand portfolio has been pivotal in the growth of its Travel QSR business and enhanced its ability to compete and secure new concessions. For example, the company's access to a brand portfolio contributed to its successful bids for tenders to operate in the new airport terminals in the Bengaluru Airport and Noida airports in November 2021 and February 2024, respectively.

- ***Deep understanding of traveller preferences with a focus on delivering a quality customer experience***

The company has introduced several innovative solutions within its Travel QSR and Lounge businesses. The company has introduced self-ordering kiosks, online order and in-airport delivery options and contactless payment systems to improve customer servicing time and make ordering more convenient at select locations. The company has installed grab-and-go fridges to provide travellers with quick pick-up options at select outlets. The company has introduced its "Food@Gate"™ service at various airports, an in-airport F&B order and delivery service.

Further, the company optimises its menus, including simplifying menu designs, adding more imagery, showcasing key products and providing combination offerings to facilitate faster order taking. The company adjusts its sales mix and pricing to suit the customer demographic within each airport.

The company has designed convenient takeaway packaging options for those who wish to carry items onto the flight. Additionally, within some of its Lounges, the company introduced a-la-carte menu options curated by its chefs, spa services, live music, cocktail specialists, and interactive sports and entertainment zones, such as golf simulators, to enhance the customer experience.

- ***Experienced management team, supported by the synergistic partnerships with SSP and K Hospitality***

The company has a seasoned management team with an average of 24+ years of experience, as of March 31, 2025. The company's professional management team comes from diverse backgrounds and has execution track records across various industries, such as hospitality, fast-moving consumer goods, telecommunications, IT, infrastructure, retail, and durables.

The company benefits from the support and experience of its Promoters. K Hospitality has a presence in 35 cities in India and abroad, as of March 31, 2025. The company benefits from K Hospitality's market reputation and bargaining leverage in the procurement of raw materials from K Hospitality's network of suppliers. SSP is one of the leading Travel F&B operators globally in 2024, based on annual revenue. As of May 31, 2025, SSP had an F&B brand portfolio of approximately 550 brands. Through SSP, the company was able to enter into a franchise agreement with Wagamama to operate the brand within the airport Travel QSR sector in India.

KEY BUSINESS STRATEGIES

- ***Optimise the product offerings and service to grow like-for-like ("LFL") sales***

The company aims to customise its product offerings and services to capitalise on those favourable trends and increase the company's LFL sales, which refer to the growth in sales recorded by the same number of stores the year prior. The company is focussed on the following:

- **Leveraging the in-depth understanding of the customers, their preferences and behaviours:** The company plans to continue monitoring market trends and customer preferences in India, including at the regional level, and create or franchise new brands for its airport concession agreements and future bids.

- **Enhancing the offerings and driving efficiency:** The company seeks to achieve this through managing its product range, menu composition, pricing, procurement efficiencies and promotional activities. The company has piloted in-airport delivery options, self-ordering kiosks, introduced “Food@Gate” service at select airports, to enhance service speed, convenience and improve customer experience.
- **Optimising the use of the space:** The company strategically plans the locations and layout of its outlets and product placement to drive sales. The company has introduced grab-and-go fridges to offer quick pick-up options and food carts in certain airports, to provide additional F&B choices.
- **Grow new space in existing markets and build strategic presence in new markets**

The company plans to grow its business with a focus on the following priorities:

- **Retaining existing concessions:** The company maintained a contract retention rate of 93.94% since its opening of first Travel QSR outlet in 2009. In 2022, the company secured the space for 11 new Travel QSRs for Terminal 2 of Bengaluru Airport, further expanding its presence within the airport. The company plan to continue to expand its outlets within existing airports, including into new terminals within such airports.
- **Expanding the operations into new airports in India:** The company’s focus is on winning concessions for new airports with attractive growth opportunities.
- **Growing the international business through its Lounge offering:** In 2022, the company opened its 1st Lounge outside India in Malaysia, and a new premium Lounge in Hong Kong was opened in 2024. The company’s Lounge business has grown to 9 Lounges outside India as of March 31, 2025.
- **Building a strategic presence on wayside amenities in key highway and expressway sites:** The company is evaluating opportunities to bring new Travel QSR formats into the highway sector in the near term, to capture the expected growth in the highway and expressway travel QSR sector.
- **Deliver operating synergies and leverage scale benefits**

The company views operational efficiency as its core competency. It aims to optimise margins and drive operational efficiency through the following key initiatives:

- **Margin optimisation:** The company leverages the analysis of outlet-wise consumption data, menu mix data and margin contributions to drive higher margins or higher ticket sales through menu changes, layout adjustments, upselling and product combinations.
- **Supply chain and procurement:** The company negotiates its supply arrangements with vendors together with K Hospitality to secure competitive prices for raw materials.
- **Labour productivity:** The company plans its staff shifts according to sales and air passenger traffic projections in a particular terminal. Further, the company’s management teams oversee various outlets within a single terminal or airport, driving economies of scale.
- **Company’s ‘war on waste’:** The company scrutinise all operating costs and seek to drive further business efficiencies. For example, the company seeks to right-size portions of each dish, improving its cost efficiencies and reducing waste.
- **Optimise capital expenditure through best practices**

The company plans to focus on the following initiatives to drive capital efficiency:

- **Allocate capital efficiently:** To enhance capital allocation efficiently, the company follows strict investment review process, wherein depending on the level of investment, investment proposals are reviewed by the Company’s Investment Committee.
- **Modular design and common platforms for kitchen and seating areas:** Such practice allows the company to simplify the design and buildout of new outlets and drive economies of scale in purchasing and construction.
- **Invest in food production automation technology:** The company adopts automated food production such as combi-ovens in its central production units to enhance product consistency, reduce complexity in unit operations and optimise labour hours.
- **Standardise processes for procurement and other services:** The company has established standardised processes to enable a consistent approach to vendor evaluation, onboarding and negotiations.
- **Fixed contracts:** Due to the recurring nature of its investments, the company negotiates standard rate contracts with certain vendors to lock in purchase prices for most consumable products, which are typically fixed for one year and negotiated annually.
- **Post project reviews:** The company has a dedicated project team which reviews capital expenditure projects to ensure the efficient outlet roll-outs.

- **Reverse auctions:** The conduct reverse auctions for majority of its capital expenditure items, including civil and interior contracts in relation to the fit-out of Travel QSR and Lounge outlets, to secure competitive prices for its purchases.
- **Win with People**

The company had 5,331 on-roll employees (excluding Associates & JVs), as of March 31, 2025, primarily based in India. The company's 'People First' strategy is focused on the following tenets:

- **Attraction and retention:** The company seeks to understand the employee needs around areas such as growth, work environments and career paths. The company gathers feedback from employees for training sessions. The company has a Graduate Acceleration Programme, an on-the-job training program for young hospitality graduates.
- **Inclusion and engagement:** The company hires a diverse workforce, including 55 team members who are speech and hearing impaired, as of March 31, 2025. In a Gallup employee engagement survey conducted in February 2025, the company achieved an engagement score of 4.42 out of 5.00 in 2025.
- **Training and development:** The company provides its employees with the opportunity to work across formats to enhance their learnings and capabilities.
- **Health and safety:** The company conduct regular health and safety training and audits on various aspects including training compliance and completion, equipment maintenance, incident reporting, fire and electrical safety awareness, and emergency response protocol.
- **Employee benefits:** The company has implemented various policies like flexible festival holidays, medical emergency and educational financial aid, leave for participation in community volunteering programmes, free meals for staff working in airports etc.

COMPETITION

The company faces substantial competition within the Travel QSR and Lounge sectors, from variety of local and international Travel QSR operators, in addition to Lounge operators and brand partners themselves, for concessions in airports and highway sites.

COMPETITOR ANALYSIS

Company	Year of Incorporation	Format/Key business areas	Key brand portfolio	Presence
High street QSR Players				
Devyani International	1991	High-street QSR, Travel QSR	KFC, Pizza Hut, Costa Coffee, Vaango, The Food Street	India, Thailand, Nigeria, Nepal
Jubilant FoodWorks	1995	Travel QSR	Domino's, Popeyes, Dunkin, Hong's Kitchen, Coffy	India, Sri Lanka Turkey, Georgia, Azerbaijan, Bangladesh
Restaurant Brands Asia	2013	High-street QSR	Burger King, Popeyes (Indonesia)	India, Indonesia
Sapphire Foods India	2009	High-street QSR	KFC, Pizza Hut, Taco bell (Sri Lanka)	India, Sri Lanka, Maldives
Westlife Foodworld	1982	High-street QSR	McDonalds	India
Travel QSR players				
Travel Food Services	2007	Travel QSR, Lounges	KFC, Idli.com, Cafeccino, Wagamama, Subway, The Coffee Bean & Tea Leaf, Krispy Kreme, Domino's Pizza, Dilli Street, Bikanervala, Adani Lounge, O80 Lounge, Pizzeria, Araya, etc.	India, Malaysia, Hong Kong
HMS Host Services India Pvt. Ltd	2006	Travel QSR	KFC, Pizza Hut, Illy, Taste of India, Idli Factory	India
Lite Bite Foods Pvt. Ltd	2002	Restaurants, Travel QSR	Punjab Grill, Tres, Zambar, Baker Street, Clink Bar, Begum Noor Jahan Biryani, You Mee, Asia Seven, Shizusan, Pino's, Naashto, Hahn's Kitchen, Lite Bite Biryani	India
Lounge Players				
Travel Food Services	2007	Travel QSR, Lounges	KFC, Idli.com, Cafeccino, Wagamama, Subway, The Coffee Bean & Tea Leaf, Pizza Hut, Krispy Kreme, Domino's Pizza, Dilli Street, Bikanervala, Adani Lounge, O80 Lounge, Pizzeria, Araya Etc.	India, Malaysia, Hong Kong
Bird Catering & Lounges Pvt. Ltd	2008	Travel QSR, Lounges	Bird Lounge	India
Encalm Hospitality Pvt. Ltd	2021	Lounges	Atithya, Encalm Lounge, Encalm Spa, Enwrap, Encalm Prive	India

Company	Year of Incorporation	Format/Key business areas	Key brand portfolio	Presence
Saptagiri Restaurant Pvt. Ltd	2000	Travel QSR, Lounges	Primus Lounge	India
RBA Hospitality & Hotels Pvt. Ltd	2013	Travel QSR, Lounges	Grabbit, Tasty Trip, Shakes n Flakes, Mangalore Tiffin Point, RBA Dosa Express, Coffee and More, Binny'sKitchen, Paahun	India

Source: RHP

COMPARISON WITH INDUSTRY PEERS (AS ON 31ST MARCH 2025)

Name of the Company	Revenue from Operations (₹ Cr)	FV (₹)	CMP* (₹)	P/E (x)	EPS (₹)	RoNW (%)	NAV (₹ /share)
Travel Food Services	1,687.74	1.00	[•]	[•]	27.58 [^]	34.64	79.62
Jubilant FoodWorks	8,141.73	2.00	701.80	205.81	3.41	10.02	31.87
Devyani International	4,951.05	1.00	167.77	2,097.13	0.08	0.84	9.07
Sapphire Foods India	2,881.86	2.00	328.80	548.00	0.60	1.38	43.53
Westlife Foodworld	2,474.13	2.00	745.10	955.26	0.78	2.01	38.70
Restaurant Brands Asia	2,550.72	10.00	82.55	-	(4.33)	(23.80)	15.61

Source: RHP; P/E has been computed based on *closing market price as on June 30,2025; [^] the company approved sub-division of its equity shares from ₹ 10/each to ₹ 1/each on October 24,2024 and subsequently, on November 5, 2024, issued 2.4 bonus shares for every 1 held to the existing shareholders. The EPS have been computed after considering the sub-division and bonus issue.

Restated Consolidated Statement of Assets and Liabilities

(₹ Cr)

Particulars	As at March 31st,		
	2025	2024	2023
Non-Current Assets			
Property, Plant and Equipment	120.95	122.18	95.63
Capital Work-in-Progress	38.64	22.79	6.48
Goodwill	-	1.55	1.55
Right-of-use Assets	248.82	262.49	254.59
Other Intangible Assets	2.17	0.76	0.79
Investments accounted for using equity method	279.11	218.06	138.12
(i) Investments	0.01	0.01	0.01
(ii) Loans	108.57	135.27	88.92
(iii) Other Financial Assets	69.20	63.04	45.68
Deferred Tax Assets (Net)	56.27	55.67	51.62
Income Tax Assets (Net)	25.78	37.39	8.92
Other Non-Current Assets	4.65	31.98	12.28
Current assets			
Inventories	8.89	11.60	10.58
(i) Investments	589.36	375.57	325.53
(ii) Trade Receivables	106.18	105.02	113.96
(iii) Cash and Cash Equivalents	25.30	68.09	42.19
(iv) Bank balances other than (iii) above	12.23	110.49	92.24
(v) Loans	31.18	10.66	6.00
(vi) Other Financial Assets	148.45	41.11	22.24
Other Current Assets	26.98	22.72	15.00
Total Assets	1,902.73	1,696.44	1,332.32
Equity & Liabilities			
Equity Share Capital	13.17	3.87	3.87
Other Equity	1,040.24	869.74	651.60
Equity attributable to owners of the Company	1,053.40	873.62	655.48
Non-controlling interest	16.84	14.31	9.55
Total Equity	1,070.24	887.93	665.03
Liabilities			
Non-Current Liabilities			
(i) Borrowings	-	58.23	22.02
(ii) Lease Liabilities	217.71	265.86	286.27
(iii) Other Financial Liabilities	6.06	10.17	8.74
Provisions	6.76	7.10	5.87
Other Non-Current Liabilities	0.08	0.56	0.93
Total Non-Current Liabilities	230.59	341.92	323.82

Particulars	As at March 31st,		
	2025	2024	2023
Current Liabilities			
(i) Borrowings	-	0.55	9.04
(ii) Lease Liabilities	115.38	86.43	65.64
(iii) Trade Payables	339.10	274.67	178.44
(iv) Other Financial Liabilities	89.89	51.16	34.99
Other Current Liabilities	21.42	19.51	21.33
Provisions	31.18	25.64	24.00
Current Tax Liabilities (Net)	4.92	3.64	10.06
Total Current Liabilities	601.90	466.60	343.48
Total Liabilities	832.49	808.51	667.30
Total Equity and Liabilities	1,902.73	1,696.44	1,332.32

Source: RHP

Restated Consolidated Statement of Profit and Loss

(₹ Cr)

Particulars	As at March 31st,		
	2025	2024	2023
Income			
Revenue from operations	1,687.74	1,396.32	1,067.15
Other Income	74.97	66.07	36.43
Total Income	1,762.71	1,462.40	1,103.58
Expenses			
Cost of Materials Consumed	276.11	261.12	193.09
Purchase of Stock-in-Trade	20.97	26.51	16.89
Change in Inventories of Stock-in-Trade	(0.69)	(2.89)	0.45
Employee Benefits Expense	276.53	229.85	159.37
Finance Costs	45.71	51.69	47.81
Depreciation and Amortisation Expense	126.30	110.83	83.11
Other Expenses	560.72	469.61	323.49
Total Expenses	1,305.65	1,146.72	824.21
Restated P/L before share of net loss of investments	457.06	315.68	279.38
Share in Profit /(Loss) of Associate	47.27	71.79	47.76
Profit / (loss) before tax	504.34	387.47	327.14
Income tax expense	124.68	89.35	75.84
Profit/ (loss) after tax	379.66	298.12	251.30
Other Comprehensive Income	0.64	0.47	1.91
Total comprehensive income for the year	380.30	298.59	253.21
EPS Basic & Diluted	27.58	21.85	18.52

Source: RHP

Restated Consolidated Summary of Cash Flows

(₹ Cr)

Particulars	As at March 31st,		
	2025	2024	2023
Restated Profit/(Loss) before tax	504.34	387.37	327.14
Adjustments Related to Non-Cash & Non-Operating Items	58.48	38.99	57.73
Operating Profits before Working Capital Changes	562.82	426.35	384.87
Adjustments for Changes in Working Capital	54.12	55.54	(0.87)
Net cash generated from operations before tax	616.94	481.89	384.01
Income tax paid – (net)	102.14	(129.07)	(61.86)
Net cash generated from operating activities (a)	514.79	352.93	322.15
Net cash used in investing activities (b)	(191.18)	(154.88)	(196.77)
Net cash used in financing activities (c)	(342.69)	(172.15)	(104.36)
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	(19.08)	25.89	21.02
Cash and Cash Equivalents at Beginning of the Year	68.09	42.19	21.18
Addition on a/c common control business combination	0.002	-	-
Adjustment on account of account of loss of control	(23.72)	68.09	
Cash and Cash Equivalents at End of the Year	25.30	27.22	42.19

Source: RHP

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