



#IPOology

IPO DETAILS

TRAVEL FOOD SERVICES LIMITED



 **ISSUE OPEN**

07 July, 2025

 **ISSUE CLOSE**

09 July, 2025

Min. Lot Size
13 shares

Issue Price Band
₹1045 - ₹1100

Issue Size

Fresh Issue:
NIL Eq shares
(NIL)

OFS:
1.82 Cr Eq shares
(₹2,000.00 Cr)

Face Value

₹1

Industry

Travel Retail & Hospitality

Listing at

NSE, BSE

RATING

SUBSCRIBE

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.

0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

For Facts & Figures



TRAVEL FOOD SERVICES LIMITED

Rationale

Considering the FY25 EBITDA of Rs 676 Cr on a post issue basis, the company is going to list at a EV/EBITDA of approximately ~22x with a Market cap of Rs 14,485 Cr, whereas its peers namely Jubilant FoodWorks Ltd, Sapphire Foods India Ltd, Westlife Foodworld Limited are trading at EV/EBITDA of approximately ~31x, ~21x and ~38x.

We assign "Subscribe" rating to this IPO as the company is a leading player in the Travel QSR and Lounge sectors in Indian airports along with strong expertise in operating and handling the distinct challenges of F&B in the operationally complex and highly secure airport environment. Also, it is available at a reasonable valuation as compared to its peers.

Objectives of the issue

Achieve the benefits of listing the equity shares on the stock exchanges.

Carry out the offer for sale of equity shares by the selling shareholders.

Company Overview

Travel Food Services Limited is the fast-growing Indian airport travel quick service restaurant ("Travel QSR") and lounge ("Lounge") sectors based on revenue in Fiscal 2025, with a market share based on revenue of approximately 26% in the Indian airport travel QSR sector and approximately 45% in the Indian airport Lounge sector in Fiscal 2025,

Their Travel QSR business comprises a range of curated food and beverage ("F&B") concepts across cuisines, brands and formats, which have been adapted to cater to customers' demands for speed and convenience within travel environments.

The company derives 52% of revenue from Travel QSR, 45% of revenue from Lounge services and 3% of revenue from Management and other services.

The company derived 54% of its revenue from partner brands and 46% of its revenue from In-house brands.

They utilise their F&B brand portfolio, comprising 127 partner and in-house brands, in the operation of 442 Travel QSRs across India and Malaysia as of March 31, 2025. They have 37 Lounges across India, Malaysia and Hong Kong

Through their Travel QSR and Lounge businesses, they are present in 14 airports in India, 3 airports in Malaysia and 1 airport in Hong Kong as of March 31, 2025.

They operate the largest network of Travel QSRs outlets and airport Travel QSR outlets in India with 384 of our 413 operational outlets being situated in airports, and the remaining in highway sites.

Long-Term Client Loyalty Secured

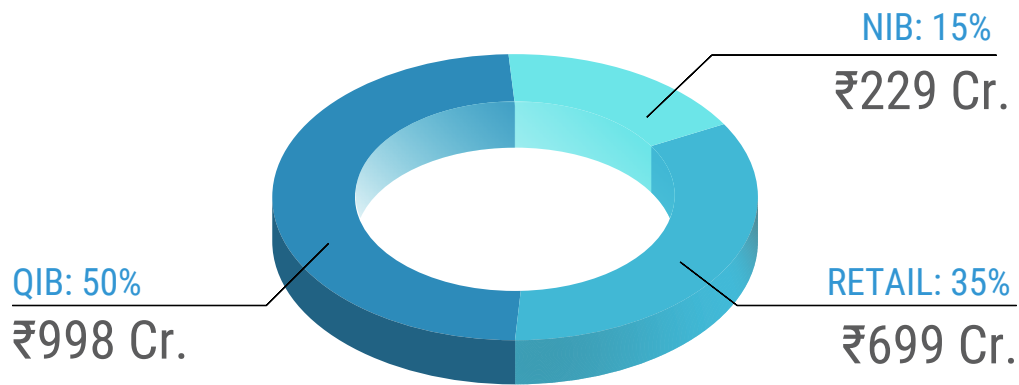
From 2009 until March 31, 2025, they have maintained a contract retention rate of 93.94%.



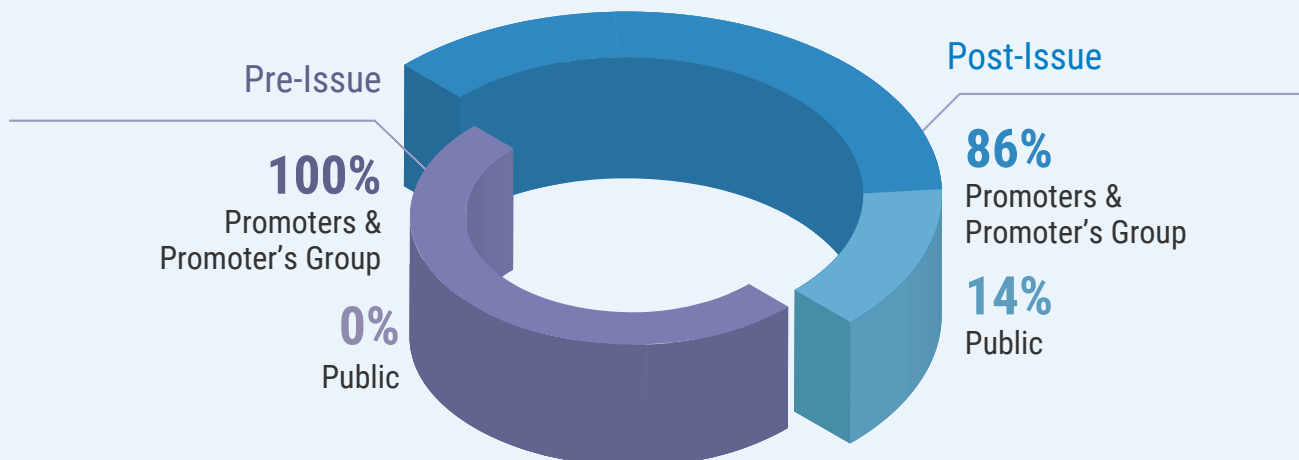
TRAVEL FOOD SERVICES LIMITED

Issue Details

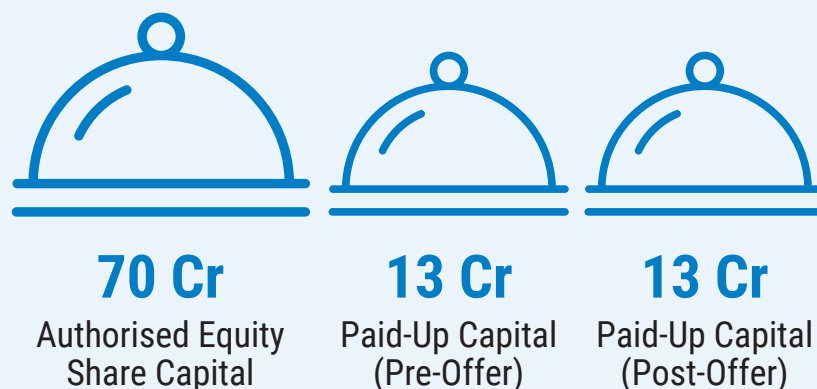
Issue Break-Up



Shareholding Pattern



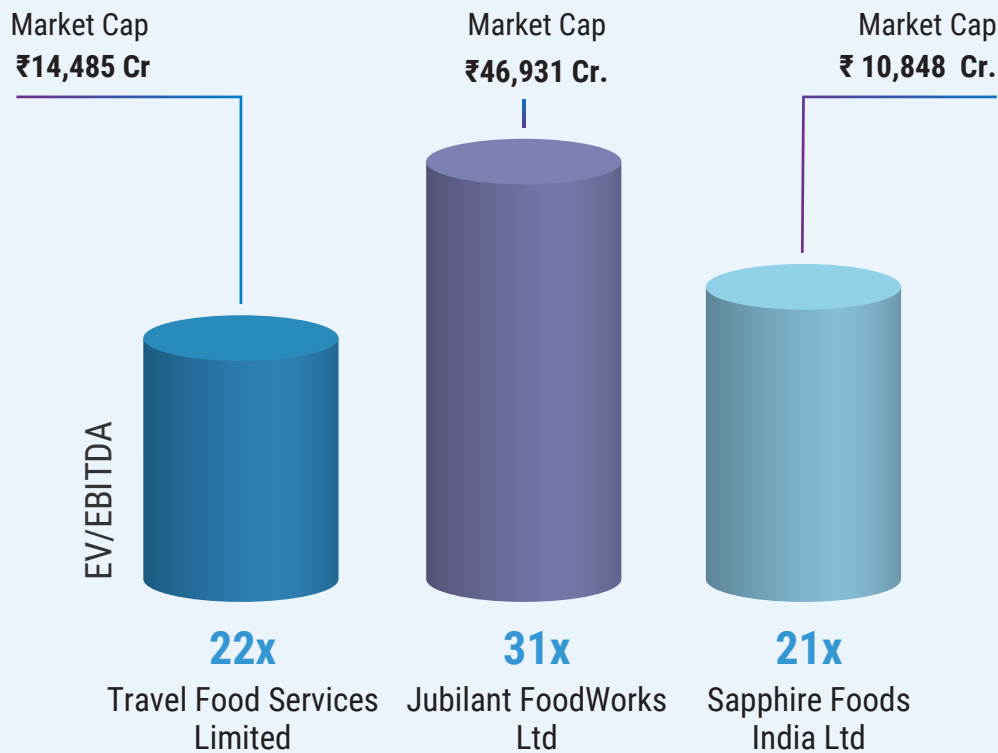
Capital Structure (in ₹ Cr.)





TRAVEL FOOD SERVICES LIMITED

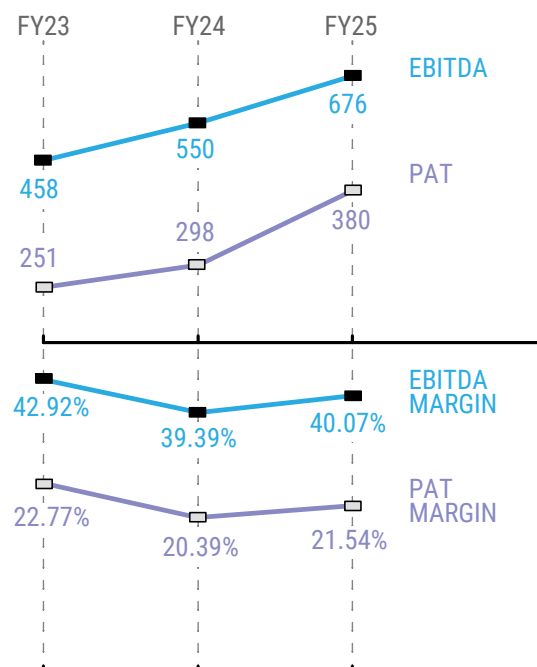
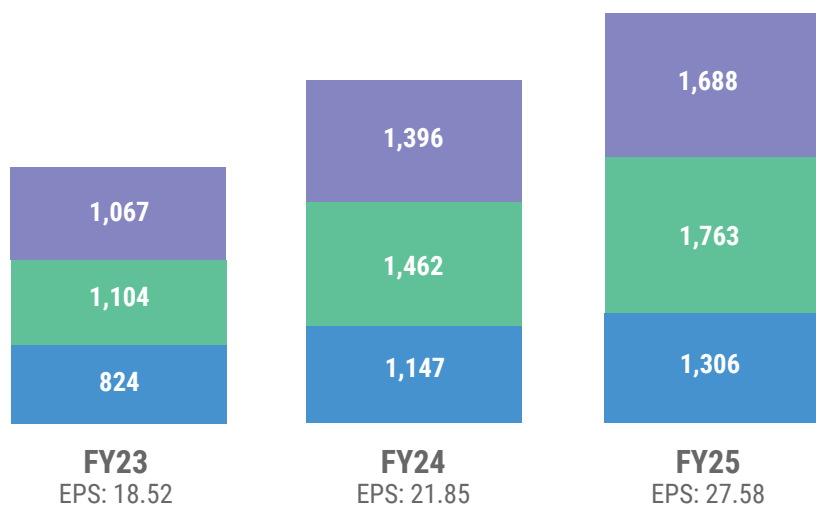
Valuations and Peer Comparison



Market Cap data of listed securities as on July 04, 2025

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





TRAVEL FOOD SERVICES LIMITED

Business Insights



Competitive Strengths

- Leading player in the Travel QSR and Lounge sectors in Indian airports.
- Strong expertise in operating and handling the distinct challenges of F&B in the operationally complex and highly secure airport environment.
- Proven and established track record of long-term working relationships with airport operators.
- Diversified portfolio of partner F&B brands franchised from high-quality brand partners and inhouse F&B brands.
- Deep understanding of traveller preferences with a focus on delivering a quality customer experience.
- Experienced management team, supported by their synergistic partnerships with SSP and K Hospitality.



Risks

- The Travel QSRs and Lounges at the top 5 airports contributed 85.94%, 88.36% and 90.29% of their revenue from operations for Fiscals 2025, 2024 and 2023, respectively. Termination of these concession agreements in relation to or a decrease in passenger traffic in such airports could have a significant impact on their revenue.
- Lounge services contributed 44.93%, 44.65% and 46.14% of their revenue from operations for Fiscals 2025, 2024 and 2023, respectively. Their lounge business may be adversely affected if there is a decrease in the number of their lounge partners' customers, whether due to a decrease in the number of credit cards and debit cards offering free lounge access or from cards offering such services becoming less popular, or, in the converse, if there is a disproportionate increase in the number of such customers.
- They depend on their relationship with their brand partners to franchise their brands, with revenue from brand partners accounting for 54.37%, 54.44% and 54.06% of their revenue from Travel QSR for Fiscals 2025, 2024 and 2023, respectively. Failure to attract new brand partners or maintain or develop existing ones could adversely affect their business, results of operations, financial condition and prospects.



Business Strategy

- Optimise their product offerings and service to grow like-for-like ("LFL") sales.
- Grow new space in existing markets and build strategic presence in new markets.
- Deliver operating synergies and leverage scale benefits.
- Optimise capital expenditure through best practices.
- Win with people.

Promoters and Management Details

Ashwani Kumar Puri - Chairman and Independent Director

Varun Kapur - Managing Director and Chief Executive Officer

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