

Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

Travel Food Services (TRAVELFO)

Current Market Price	Fair Value (FV)
Rs.1160	Rs.1270

Date: 10th March 2026

Previous Rating: - **NA**

Current Rating: **ADD**

Change: **Initiating Coverage**

Ratings Rationale

- TFS is the leading operator in the fast-growing airport F&B segment in India.
- It has 26%/45% market share in airport QSRs/lounges.
- The Indian airport F&B market is poised for robust structural growth.
- TFS is well positioned to capitalize on this opportunity.
- It has given its strong operating capabilities and long-term working relationships/JVs with airport operators.
- We estimate a 13.6% PAT CAGR for TFS over FY2025-27E.
- We factor in this uncertainty through a conservative valuation.
- We initiate coverage with an ADD rating and a FV of Rs1,270, valuing the company at 33X FY2028E PE.

Valuation

Recommend ADD with Fair Value of Rs 1270

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

- BUY** – We expect the stock to deliver more than 15% returns over the next 12 months
- ADD** – We expect the stock to deliver 5% - 15% returns over the next 12 months
- REDUCE** – We expect the stock to deliver -5% - +5% returns over the next 12 months
- SELL** – We expect the stock to deliver < -5% returns over the next 12 months
- NR** – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
- SUBSCRIBE** – We advise investor to subscribe to the IPO.
- RS** – **Rating Suspended.** Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
- NA** – **Not Available or Not Applicable.** The information is not available for display or is not applicable
- NM** – **Not Meaningful.** The information is not meaningful and is therefore excluded.
- NOTE** – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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