

## **Hotels Body takes Oyo complaint to CCI**

Three months after Oyo promised its partners an 18% interest on delayed payments and launched complaint redressal solutions, hotel owners said little has changed on the ground and their issues stayed on.

Apex industry body Federation of Hotels and Restaurant Association of India (FHRAI) has filed a complaint with the Competition Commission of India against the Softbank-backed company. The matter will be heard on August 6. The kind of muddling that Oyo has done with the hospitality sector is antagonising. In the race to secure funding from investors, it has tweaked and tugged at every possible avenue at the expense of a hotel's reputation and future. No hotel or business wishes to turn down opportunities that may translate into revenues, but the environment created by Oyo has left hoteliers with no choice but to cut ties with it. Hotel owners have accused Oyo of levying new charges on partners over the past two months on an ad hoc basis. They said the commission rates are as high as 30% in some cases. FHRAI said it is advising its members to legally terminate contracts if they so desire and ensure that travellers do not suffer.

In April, the company said it was introducing the OPEN (Oyo Partner Engagement Network) programme to help its 8,700-plus partners reach their business goals. The programme, it said, included six core promises to its asset partners. It also launched an upgraded co-OYO app for the asset owners to monitor the progress and a dedicated a microsite for "stronger interaction and engagement". The Oyo spokesperson, however, said the company has enabled hundreds of crores of capex advances and investment support to asset owners since OPEN was launched and complaints are being resolved faster.

The spokesperson said every OYO hotel has an individual contract that guides and guarantees the terms of arrangement. "Depending on services and offerings chosen and availed by the hotel owner towards improving visibility and consequently resulting into potential of additional earnings, charges accrued will differ."