

# Cancel 'loss-making' Oyo's IPO, says FHRAI

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The Federation of Hotel and Restaurant Associations of India (FHRAI), on Wednesday said that it has urged SEBI to call off Oyo's IPO alleging that the hotel rooms aggregator suffered huge losses in recent years.

Citing reports, it said Oyo incurred losses of ₹3,943.84 crore in FY20-21 translating to a loss of over ₹76,077 every minute. Since its inception in 2013, Oyo has been running in losses and its total turnover fell a drastic 69 per cent from ₹13,413 crore in 2020 to ₹4,157 crore in 2021.

FHRAI said Oyo's IPO will only wipe out public wealth, while enriching its founders and key management.

The federation had previously objected to gross mis-statements and inadequate disclosures contained in the DRHP filed by Oyo.

"It may have raised a lot of money to become touted as one of India's most promising start-ups, but it hasn't done enough to manage the business on the ground as efficiently. Oyo has one of the highest ESOP pools of \$1.1 billion, which too is absurd," Gurbaxish Singh Kohli, Vice-President, FHRAI, said in a statement.