Oravel Stays Ltd (OYO / PRISM)

Consumer Discretionary - Hospitality & Travel Technology - DRHP Filed - ISIN INE561T01021

FY26 annual report: Rs 9,358 Cr consolidated revenue (+49.7%), EBITDA Rs 2,594 Cr, but only Rs 299 Cr of pre-tax profit; the Rs 994 Cr net profit rests on a Rs 778 Cr deferred-tax credit. Rs 7,811 Cr of debt (Term Loan B at SOFR + 8%) and a Rs 6,650 Cr fresh-issue IPO decide the equity story.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 20.89 (-8.70% today)	**Rs 30,339 Cr**	**30.72**	**4.41**

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 4.74	**Rs 0.68**	**Rs 21 - Rs 55**	**1000 shares - T+1 working day**

About the company

Oravel Stays Limited, branded PRISM since September 2025, runs a single hospitality technology platform consumed three ways: hotels (OYO, Sunday, Clubhouse, Townhouse, Motel 6 and Studio 6), homes (Belvilla, DanCenter, CheckMyGuest) and listings. At 31 March 2026 it had 22,769 hotel storefronts outside G6, 1,571 G6 storefronts in North America, 138,250 home storefronts and 137,258 listings across 35+ countries, consolidated through 110 subsidiaries and four joint-venture groups. Walker Chandiok & Co LLP audited FY26 (first year, replacing S.R. Batliboi) and gave an unmodified opinion.

FY26 was the first full year with G6 Hospitality (Motel 6/Studio 6, acquired December 2024). Consolidated revenue rose 49.7% to Rs 9,358 Cr, gross booking value 88.5% to Rs 30,683 Cr and reported EBITDA (before Rs 84 Cr of share-based pay) more than doubled to Rs 2,594 Cr. Below EBITDA the picture is thinner: finance cost Rs 1,414 Cr and depreciation/amortisation Rs 1,072 Cr left profit before tax of Rs 299 Cr (FY25: loss of Rs 489 Cr), which itself includes a Rs 130 Cr non-cash fair-value gain on deconsolidating Sunday Proptech. A Rs 778 Cr deferred-tax credit (FY25: Rs 768 Cr) turned that into Rs 994 Cr of net profit; cash taxes were Rs 82 Cr.

Only 16% of revenue (Rs 1,504 Cr) now comes from India; the US contributed Rs 2,554 Cr, the UK Rs 527 Cr and other countries (Europe, South-East Asia, Middle East) Rs 4,772 Cr. The balance sheet is dominated by acquisitions: goodwill Rs 6,602 Cr and other intangibles Rs 5,570 Cr are 60% of the Rs 20,420 Cr of total assets, against net worth of Rs 6,877 Cr. Borrowings were Rs 7,811 Cr, of which the USD 783 million Term Loan B (Rs 7,388 Cr) and a USD 30 million revolver (Rs 283 Cr) carry SOFR (1% floor) plus 8% and 6% respectively and mature in December 2029. Cash and bank balances were Rs 1,034 Cr plus Rs 108 Cr of liquid funds.

Financials (Rs Cr)

	FY25	FY26
Revenue	6,252.83	9,357.98
EBITDA	953.43	2,785.06
Profit after tax	244.82	994.17
EPS (Rs)	0.18	0.68
Net worth	5,778.16	6,877.00
Debt / equity	1.24	1.14
OPM %	15.3%	29.8%
ROE %	4.2%	14.5%

Revenue CAGR +49.7% - Profit CAGR +306.1% - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
SVF India Holdings (Cayman) - SoftBank Vision Fund (mostly CCPS)	Promoter	581.50	40.0%
RA Hospitality Holdings (Cayman) - Ritesh Agarwal (122.82 Cr equity + CCPS)	Promoter	292.20	20.1%
Ritesh Agarwal (direct equity, 104.36 Cr shares)	Promoter	104.36	7.2%
Patient Capital Investments - Ritesh Agarwal (Series G CCCPS)	Promoter	55.33	3.8%
Five Star Capital S.C.A. (Series G CCCPS)	Body Corporate	40.23	2.8%
Lightspeed Venture Partners IX (Series B CCCPS)	Foreign	25.27	1.7%
Airbnb Inc (Series E CCCPS)	Foreign	17.72	1.2%
Peak XV Partners Investments IV (Series B CCCPS)	Foreign	15.39	1.1%
Oravel Employee Welfare Trust (7.41 Cr equity shares)	Employee	7.41	0.5%
Others: Microsoft (F2), Star Virtue/Didi and A1 Holdings (E), Tanjung Bani/Khazanah (A1, D), Qatar Insurance, Lone Pine, Sofina, Prosus, Tiger Global, Sequoia Capital India Partners, Innoven Capital, ESOP holders, public		31.80	2.1%

Board and management

Name	Designation	Since
Ritesh Agarwal	Founder, Chairman & Non-Executive Director	21 Feb 2012
Ajay Tyagi	Independent Director	01 Feb 2026
Troy Matthew Alstead	Independent Director (chairs NRC and CSR)	01 Sept 2021
William Steve Albrecht	Independent Director (chairs Audit and Risk committees)	01 Sept 2021
Deepa Malik	Independent Director	01 Sept 2021
Bejul Somaia	Independent Director	01 Jan 2014
Aditya Ghosh	Non-Executive Nominee Director	25 Apr 2018
Sumer Juneja	Non-Executive Nominee Director (SoftBank)	09 Jul 2024
Ankit Tandon	Manager; Global COO and CEO Europe	01 Jan 2025
Rakesh Kumar	Chief Financial Officer	12 Dec 2023
Shivam Kumar	Company Secretary & Compliance Officer	-

MCA registry snapshot

CIN
U63090GJ2012PLC107088

STATUS
Active

AUTHORISED CAPITAL
Rs 2,491 Cr

PAID-UP CAPITAL
Rs 905.34 Cr

LAST AGM
26 Sept 2025

LAST BALANCE SHEET
31 Mar 2026

Date	Form	Description	Status
14 Aug 2026	Annual Report / AOC-1 / AOC-2	FY26 annual report approved; consolidated statements signed 31 Jul 202	Pending
01 Feb 2026	DIR-12	Ajay Tyagi (DIN 00187429) appointed Additional Independent Director; r	Approved
22 Dec 2025	PAS-3	Bonus allotment 1:19 - 18,45,13,724 equity shares of Rs 1 (EGM 20 Dec 20	Approved
20 Dec 2025	MGT-14 / SH-7	EGM: IPO approval, authorised capital raised to Rs 2,491.14 Cr, new Arti	Approved
09 Oct 2025	PAS-3	Bonus allotment 1:1 - 1,73,67,11,919 equity shares of Rs 1 (AGM 26 Sep 2	Approved
26 Sept 2025	ADT-1 / MGT-7	14th AGM: Walker Chandiok & Co LLP appointed auditor (14th to 19th AGM	Approved
22 May 2025	MGT-14	EGM: Articles of Association altered	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
Annual Report FY 2025-26 (Board's report, standalone and con	Annual Report	FY26	Download on the website
Updated draft red herring prospectus (UDRHP-I)	DRHP	Jun 2026	Download on the website

Strengths

- Scale and growth are real: consolidated revenue Rs 9,358 Cr (+49.7%), gross profit Rs 5,700 Cr (+82.5%), GBV Rs 30,683 Cr (+88.5%); G6 alone generated Rs 14,107 Cr of GBV and added 70 net storefronts in its first full year.
- Operating cash generation turned meaningful: cash flow from operations Rs 2,511 Cr in FY26 against Rs 321 Cr in FY25, before Rs 982 Cr of interest and Rs 843 Cr of lease payments, with capex of only Rs 177 Cr (asset-light, mostly franchise/management contracts).
- Reported EBITDA of Rs 2,594 Cr covers finance cost of Rs 1,414 Cr 1.8x, and net debt (borrowings less cash, bank balances and liquid funds) of about Rs 6,670 Cr is roughly 2.6x EBITDA, which is why a Rs 6,650 Cr fresh issue can de-lever the balance sheet almost entirely.
- The IPO is a pure fresh issue; SoftBank (about 40% as converted) and the founder group (about 31%) are not selling, and the Term Loan B lenders allow prepayment at a 4% premium after December 2026 and at par after December 2027.
- Governance has been tightened ahead of listing: five of eight directors are independent, including former SEBI chairman Ajay Tyagi (from 1 February 2026), former Starbucks CFO Troy Alstead and audit specialist W. Steve Albrecht; the audit committee is entirely independent and Walker Chandiok gave unmodified opinions on both standalone and consolidated statements.
- Diversified by geography and format: 84% of revenue is earned outside India, no customer exceeds 10% of revenue, and 67%

of room nights came through non-commissionable (direct) channels.

Risks

- Earnings quality: of the Rs 994 Cr net profit, Rs 778 Cr is a deferred-tax credit and Rs 130 Cr a non-cash gain on losing control of Sunday Proptech; FY25's Rs 245 Cr profit was likewise created by a Rs 768 Cr deferred-tax credit over a Rs 489 Cr pre-tax loss. Deferred tax assets stood at Rs 1,259 Cr and depend on future taxable profits.
- Leverage and cost of debt: Rs 7,811 Cr of borrowings, 95% of it the dollar Term Loan B at SOFR (1% floor) + 8% (roughly 12% all-in) with a revolver at SOFR + 6%; finance cost of Rs 1,414 Cr consumed 55% of EBITDA. Prepayment before December 2026 requires a make-whole, so IPO timing interacts with the debt terms. Lease liabilities add another Rs 2,712 Cr.
- Acquisition-heavy balance sheet: goodwill Rs 6,602 Cr plus intangibles Rs 5,570 Cr versus net worth of Rs 6,877 Cr; tangible net worth is negative. The impairment test for the franchise (G6) CGU uses a 14.45% discount rate and 2% terminal growth, and no impairment was taken on any CGU.
- Valuation: at Rs 20.84 the as-converted market value is about Rs 30,266 Cr, 4.4x book and 30x headline earnings but about 140x earnings excluding the deferred-tax credit; the August 2024 round was priced at Rs 29 pre-bonus, about Rs 13.8 per share after the two bonuses, and FY26 ESOP exercises raised Rs 197 Cr for 10.04 Cr shares (about Rs 19.6 a share).
- Dilution: options equivalent to 107.19 Cr equity shares (about 7% of the as-converted count) were outstanding at the report date; 13.15 Cr Series G CCCPS were allotted after year-end to the K&J Consulting sellers as deferred consideration; and the Rs 6,650 Cr fresh issue will add shares at a price not yet known.
- Tax and compliance overhang: the standalone CARO annexure lists about Rs 358 Cr of disputed GST, service-tax and income-tax demands (including a Rs 248 Cr GST demand for 2017-18 to 2020-21); one subsidiary's CARO report carried a qualified clause; audit-trail logging on hotel-revenue and payroll software was incomplete for part of the year.
- Non-controlling interests are negative (Rs 1,086 Cr), total equity of Rs 5,791 Cr includes a Rs 326 Cr capital reserve from a joint venture's bargain purchase, and 31.09%-owned Sunday Proptech (now a JV) and its US hotel-owning entities are large related-party counterparties (services purchased and payments on behalf each exceeded Rs 100 Cr).
- Currency and macro: more than four-fifths of revenue and almost all debt are in foreign currency; FY26 OCI swung by Rs 455 Cr on translation alone, and US budget-hotel demand drives the largest profit pool.

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