

Annual Report 2000-2001



EIH Associated Hotels Limited
A member of  *The Oberoi Group*



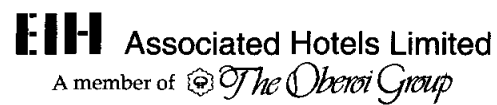
Cover:

The lounge

Rajvilās, Jaipur



P.R.S. Oberoi, *Chairman*



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BOARD

Mr. P. R. S. Oberoi, *Chairman*
Mr. S. S. Mukherji, *Managing Director*
Mr. P. Majumdar
Mr. L. Ganesh
Mr. R. Raheja
Mr. Vikram Oberoi

COMPANY SECRETARY

Mr. R. Mitra

REGISTRARS AND SHARE TRANSFER AGENTS

EIH Limited
4, Mangoe Lane
Kolkata 700 001

AUDITORS

Ray & Ray
Chartered Accountants
6, Church Lane
Kolkata 700 001

BANKERS

United Bank of India
The Hongkong and
Shanghai Banking
Corporation Limited

REGISTERED OFFICE

1/24, G.S.T. Road
Meenambakkam
Chennai 600 027

HEAD OFFICE

4, Mangoe Lane
Kolkata 700 001

CORPORATE OFFICE

Maidens Hotel
7, Sham Nath Marg
Delhi 110 054

HIGHLIGHTS

	Rupees in Millions except item nos. 13, 14, 15 & 16				
	1996-97	1997-98	1998-99	1999-2000	2000-2001
FOR THE YEAR					
1. GROSS REVENUE	250.547	240.578	320.280	315.006	371.760
2. PROFIT/(LOSS) BEFORE TAX	101.615	67.893	12.502	(56.145)	(15.447)
3. PROFIT/(LOSS) AFTER TAX	87.115	60.758	11.189	(56.145)	(15.447)
4. DIVIDEND	26.250	26.250	21.000	—	—
5. RETAINED EARNINGS	67.215	48.816	21.129	—	—
6. FOREIGN EXCHANGE EARNINGS	192.697	172.914	248.003	258.482	234.800
AT YEAR END					
7. GROSS FIXED ASSETS	582.891	994.743	1131.829	1269.264	1352.560
8. SHARE CAPITAL	105.000	105.000	105.000	105.000	105.000
9. RESERVES AND SURPLUS	267.765	299.648	287.527	231.382	215.934
10. NET WORTH	371.416	403.749	392.077	336.382	320.934
11. BORROWINGS	190.431	549.055	690.099	856.307	938.847
12. CAPITAL EMPLOYED	561.847	952.804	1082.175	1192.689	1259.781
PER SHARE (Rs.)					
13. NET WORTH PER EQUITY SHARE	35.37	38.45	37.34	32.04	30.57
14. EARNINGS PER EQUITY SHARE	8.30	5.79	1.07	—	—
15. DIVIDEND PER EQUITY SHARE	2.50	2.50	2.00	—	—
RATIO					
16. DEBT : EQUITY RATIO	0.51 : 1	1.36 : 1	1.76 : 1	2.55 : 1	3.01:1

DIRECTORS' REPORT

The Directors present the Eighteenth Annual Report together with the Audited Statement of Accounts and Auditors' Report for the year 2000-2001.

Financial highlights are given below :

	Rupees in Millions	
	2000-2001	1999-2000
Revenue	371.760	315.006
Loss for the year	(15.447)	(56.145)
Balance carried over	(50.071)	(34.624)

Chennai's hospitality industry has generally recorded an improvement during the course of the year. However, several new hotels have recently been added which has increased competition and travellers now have a wider choice of hotel accommodation.

Last year the Board reported that the renovation and refurbishment of rooms in one wing had been completed. The Board is pleased to inform you that renovation and refurbishment of all rooms have been completed and the hotel is now ready to meet the increased competition in the city.

The Trident, Chennai has achieved higher revenues and profitability despite an average of 23% of all saleable rooms being closed for renovation during the year. Rajvilās, Jaipur has also shown improved revenues and profitability.

The Company's revenue for the financial year was higher than in the previous year by Rs. 57 million which is an increase of approximately 18%. Cost controls have resulted in several items of expenditure being lower than in the previous year. The losses for the year under review have been reduced from Rs. 56.14 million to Rs. 15.45 million.

In view of losses incurred during this financial year, the Board does not recommend a dividend.

Foreign exchange earnings of the Company were Rs. 235 million as against Rs. 258 million in the previous year. The foreign exchange outflow was only Rs. 11 million.

Mr. L. Ganesh and Mr. Vikram Oberoi, Directors of the Company, are due to retire by rotation and are eligible for re-appointment.

An Audit Committee of the Board was constituted during the year. Messrs P. Majumdar, L. Ganesh, Rajan Raheja and Vikram Oberoi are members of this Committee.

The Auditors of the Company, Messrs Ray and Ray retire and, being eligible, offer themselves for re-appointment.

The observations of the Auditors with regard to Note 9 concerning quantitative details are self-explanatory.