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EIH LIMITED

A member of  *The Oberoi Group*



Annual Report 1999-2000



CONTENTS

ORGANISATION	3
THE OBEROI DHARMA	5
THE OBEROI GROUP MISSION	6
HIGHLIGHTS	8
INFORMATION FOR SHAREHOLDERS	9
VICE CHAIRMAN'S REVIEW	12
DIRECTORS' REPORT	16
AUDITORS' REPORT	21
BALANCE SHEET	24
PROFIT AND LOSS ACCOUNT	25
SCHEDULES TO ACCOUNTS	26
CASH FLOW STATEMENT	39
SUBSIDIARY COMPANIES	41

BOARD

Rai Bahadur M. S. Oberoi
Chairman

COMPANY SECRETARY
Mr. S. Gangopadhyay

Mr. P. R. S. Oberoi
*Vice Chairman and
Managing Director*

AUDITORS

Mr. S. M. Dahanukar
Field Marshal Sam Manekshaw

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

Mr. B. K. Nehru
Mr. P. Majumdar

Mr. Vikram Oberoi

BANKERS

Mr. Arjun Oberoi

United Bank of India

Mr. S. K. Saha

Hongkong Bank

Mr. S. S. Mukherji
Deputy Managing Director

State Bank of India



Rai Bahadur M.S. Oberoi, Chairman

The Oberoi Dharma

FUNDAMENTAL CODE OF CONDUCT

We, as members of OBEROI Organisation are committed to display through our behaviour and actions the following CONDUCT which applies to all aspects of our Business :

CONDUCT which is of the highest ethical standards-intellectual, financial and moral and reflects the highest levels of courtesy and consideration to others.

CONDUCT which builds and maintains Team work, with mutual trust as the basis of all working relationship.

CONDUCT which puts the customer first, the Company second and the self last.

CONDUCT which exemplifies care for the customer through anticipation of need, attention to detail, excellence, aesthetics and style and respect for privacy along with warmth and concern.

CONDUCT which demonstrates two-way communication accepting constructive debate and dissent whilst acting fearlessly with conviction.

CONDUCT which demonstrates that people are our key asset, through respect for every employee, and leading from the front regarding performance achievements as well as individual development.

CONDUCT which at all times safeguards the safety, security, health and environment of customers, employees and the assets of the company.

CONDUCT which eschews the short-term quick-fix for the long-term establishment of healthy precedent.

The Oberoi Group Mission

Our guests

We are committed to meeting and exceeding the expectations of our guests through our unrelenting dedication to perfection, in every aspect of service.

Our people

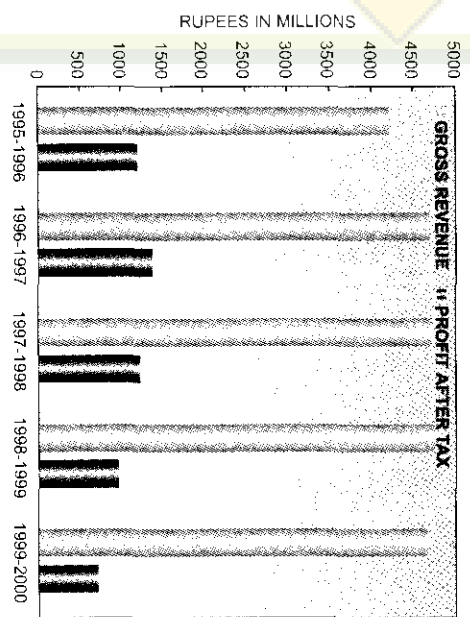
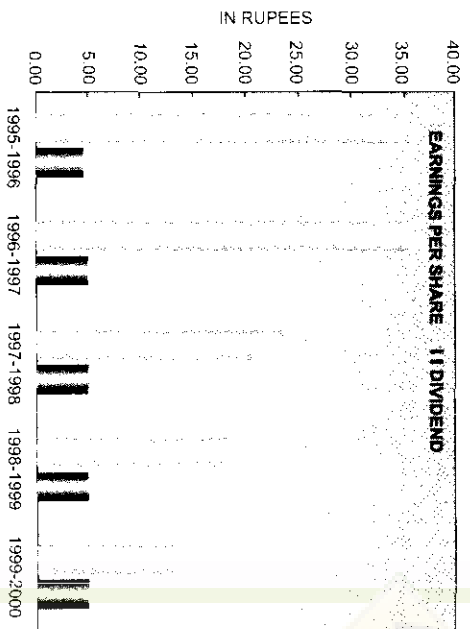
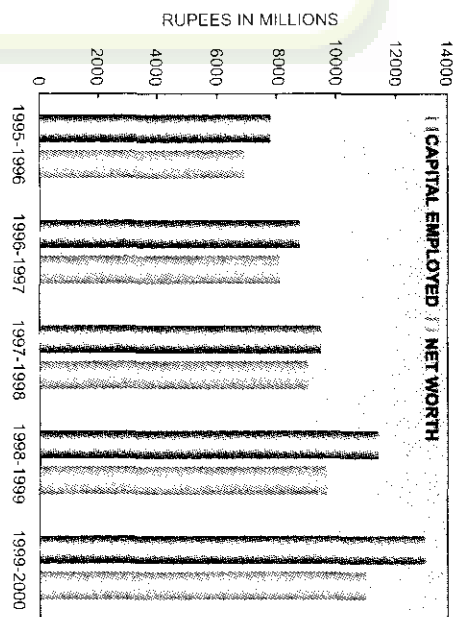
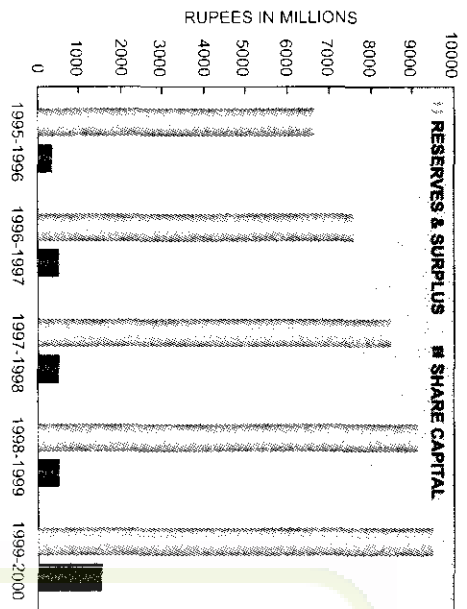
We are committed to the growth, development and welfare of our people upon whom we rely to make this happen.

Our distinctiveness

Together we shall continue the Oberoi tradition of pioneering in the hospitality industry, striving for unsurpassed excellence in high potential locations all the way from the Middle East to Asia Pacific.

Our shareholders

As a result, we will create extraordinary value for our stakeholders.



HIGHLIGHTS

(Conversion rate of Rupee to U.S. Dollar Rs.100 = \$ 2.30)				Figures in Millions except item nos. 13, 14, 15 & 16						
	1995-96		1996-97		1997-98		1998-99		1999-2000	
	Rs.	\$	Rs.	\$	Rs.	\$	Rs.	\$	Rs.	\$
FOR THE YEAR										
1. GROSS REVENUE	4213	97	4695	108	4720	109	4757	109	4663	107
2. PROFIT BEFORE TAX	1443	33	1541	35	1330	31	1059	24	824	19
3. PROFIT AFTER TAX	1202	28	1381	32	1233	28	964	22	725	17
4. DIVIDEND	152	3.50	259	5.96	262	6.03	262	6.03	306	7.04
5. RETAINED EARNINGS	1184	27	1253	29	1149	26	910	21	636	15
6. FOREIGN EXCHANGE EARNINGS	2531	58	2877	66	2839	65	3153	73	2748	63
AT YEAR END										
7. GROSS FIXED ASSETS	6991	161	7766	179	8638	199	10819	249	12000	276
8. SHARE CAPITAL	338	8	524	12	524	12	524	12	1524	35
9. RESERVES AND SURPLUS	6624	152	7589	175	8504	196	9147	210	9502	219
10. NET WORTH	6962	160	8113	187	9028	208	9671	222	11026	254
11. BORROWINGS	1012	23	801	18	831	19	2738	63	3167	73
12. CAPITAL EMPLOYED	7836	180	8814	203	9506	219	11425	263	13039	300
PER SHARE										
13. NET WORTH PER EQUITY SHARE	205.97	4.74	154.86	3.56	172.31	3.96	184.58	4.25	191.36	4.40
14. EARNINGS PER EQUITY SHARE	35.55	0.82	35.29	0.81	23.53	0.54	18.40	0.42	12.90	0.30
15. DIVIDEND PER EQUITY SHARE	4.50	0.10	5.00	0.12	5.00	0.12	5.00	0.12	5.00	0.12
RATIO										
16. DEBT : EQUITY RATIO	0.15 : 1		0.10 : 1		0.09 : 1		0.28 : 1		0.42 : 1	
Notes :										
a) Serial nos. 7, 9, 10, 12, 13 and 16 are after considering appreciation of Land and Buildings due to revaluation amounting to Rs.2575 million in 1992-93.										
b) Serial nos. 8, 9, 13, 14 and 15 are after Bonus Issue in the ratio of 1 : 2 in 1996-97 (including Shares issued against Detachable Warrants of Non-Convertible Debentures).										
c) Serial nos. 8, 9, 10, 13, 14, 15 and 16 are after conversion of Partly Convertible Debentures in 1993-94, issue of GDRs in 1994-95 and issue of shares against Detachable Warrants of Non-Convertible Debentures and Bonus Issue, both in 1996-97.										
d) Serial no. 14 is calculated on weighted Average of Shares outstanding during the relevant year.										
e) U. S. Dollar figures have been rounded off to the nearest million except in item No. 4.										
f) Preference Share Capital has been treated as debt, only for the purpose of Debt : Equity ratio calculation under serial no. 16.										

INFORMATION FOR SHAREHOLDERS

HEAD OFFICE & REGISTERED OFFICE

4, Mangoe Lane,
Calcutta-700 001

Telephone : (91)(33)2486751

Facsimile : (91)(33)2486785

CORPORATE OFFICE

7, Sham Nath Marg,
Delhi-110 054

Telephone : (91)(11)2914841

Facsimile : (91)(11)2929800

INVESTORS SERVICES DIVISION

Kishore Bhavan,
6th Floor,
17, R.N. Mukherjee Road,
Calcutta-700 001

Telephone : (91)(33)2485883

(91)(33)2206141

(91)(33)2101033

(91)(33)2101072

Facsimile : (91)(33)2420957

E-mail : eihkb@cal2.vsnl.net.in

All communications relating to shares and debentures of the Company - both physical and electronic, should be addressed to the Investors Services Division.

DEMATERIALISATION OF SHARES

Depositories : National Securities Depository Limited, Mumbai
Central Depository Services (India) Limited, Mumbai

The Equity Shares of the Company are compulsorily traded and settled through Stock Exchanges only in the dematerialised form. Over 46% of the equity shareholding of the Company has been dematerialised. In view of the advantages of holding shares in the electronic form the shareholders are requested to avail of this facility.

The Company has established direct V-Sat connectivity with both the Depositories and is acting as in-house Registrars and Share Transfer Agent.

SHARES LISTED AT

Name	Stock Code
Stock Exchange, Calcutta	05
Stock Exchange, Mumbai	840
Stock Exchange, New Delhi	5006
Stock Exchange, Chennai	—
National Stock Exchange, Mumbai	Symbol; EIHOTEL; Series; EQ
London Stock Exchange, U.K.	—

QUARTERLY AND ANNUAL RESULTS FOR THE FINANCIAL YEAR 2000-2001

Intended dates of announcement

1st Quarter : 26th July, 2000	(Unaudited)
2nd Quarter : 30th October, 2000	(Unaudited)
Half yearly : 29th November, 2000	(with auditors' "limited review")
3rd Quarter : 29th January, 2001	(Unaudited)
Annual : 29th May, 2001	(Audited)

ANNUAL GENERAL MEETING

26th July, 2000 at 11-30 A.M.
at Oberoi Grand,
15, Jawaharlal Nehru Road,
Calcutta-700 013

BOOK CLOSURE DATE FOR THE PURPOSE OF ANNUAL GENERAL MEETING

18th July, 2000 to 26th July, 2000

ELECTRONIC CLEARING SYSTEM FOR PAYMENT OF DIVIDEND

To enable the Company to provide Electronic Clearing System (ECS) facility for prompt credit of Dividend to the Bank Accounts of the Shareholders, they are requested to send the following particulars to the Company's Investors Services Division in respect of physical shares and to the respective Depository Participants in respect of Dematerialised shares :

1. Folio / DPID / Client ID No.
2. Bank's Name :
3. Branch Name :