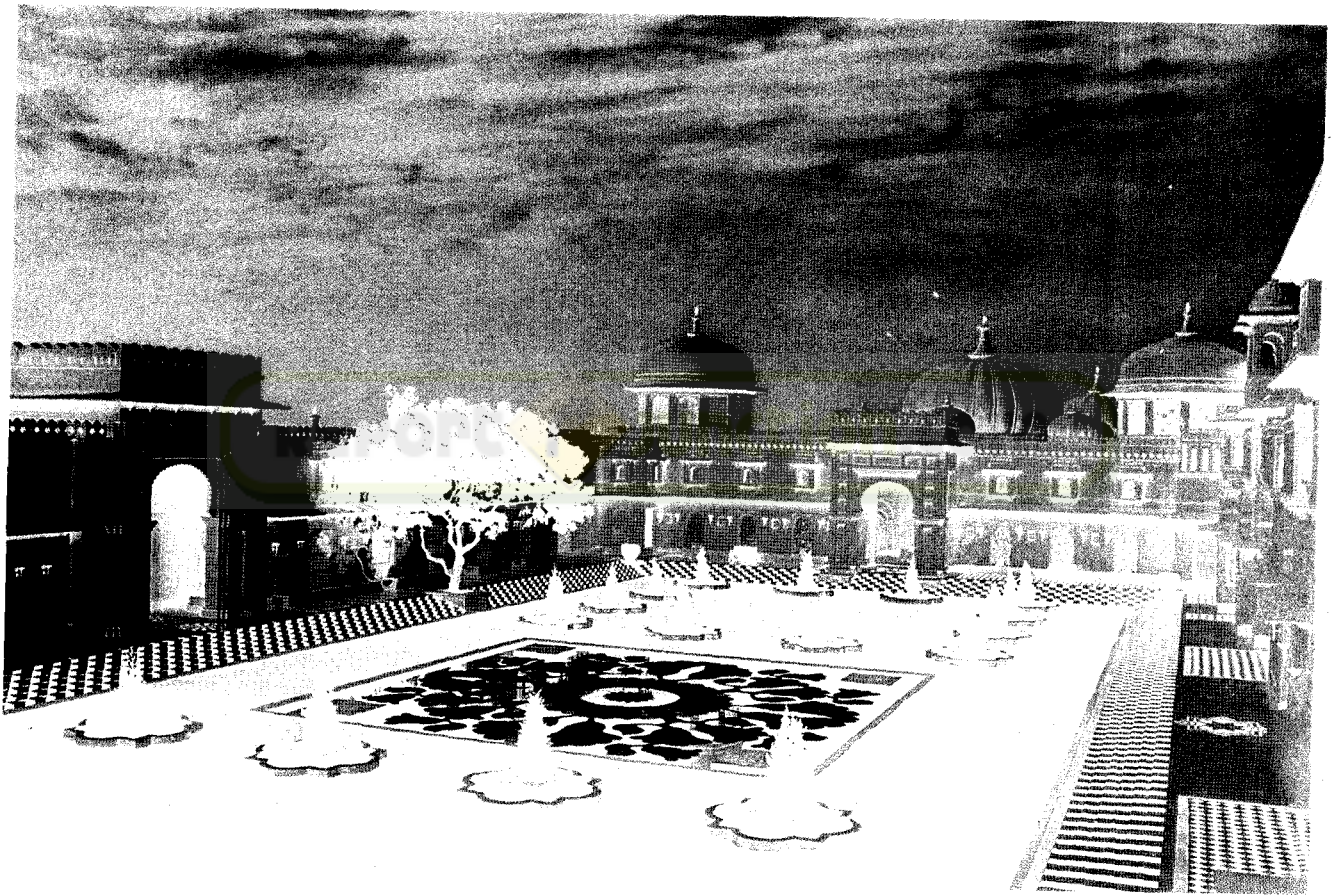


EH LIMITED

A member of  *The Oberoi Group*



Annual Report 2002-2003

Cover:

The Forecourt

at

UDAIVILĀS

UDAIPUR, INDIA

EH LIMITED

A member of  *The Oberoi Group*

Annual Report 2002-2003

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BOARD

Mr. P. R. S. Oberoi
Chairman

Mr. S. S. Mukherji
Managing Director

Mr. S. K. Dasgupta

Mr. Ashwani Kumar

Field Marshal Sam Manekshaw

Mr. Anil Nehru

Mr. Arjun Oberoi

Mr. Vikram Oberoi

Mr. Rajan Raheja

Mr. Christopher Reeves

Mr. Nusli N. Wadia

COMPANY SECRETARY

Mr. G. Ganguli

AUDITORS

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

BANKERS

United Bank of India

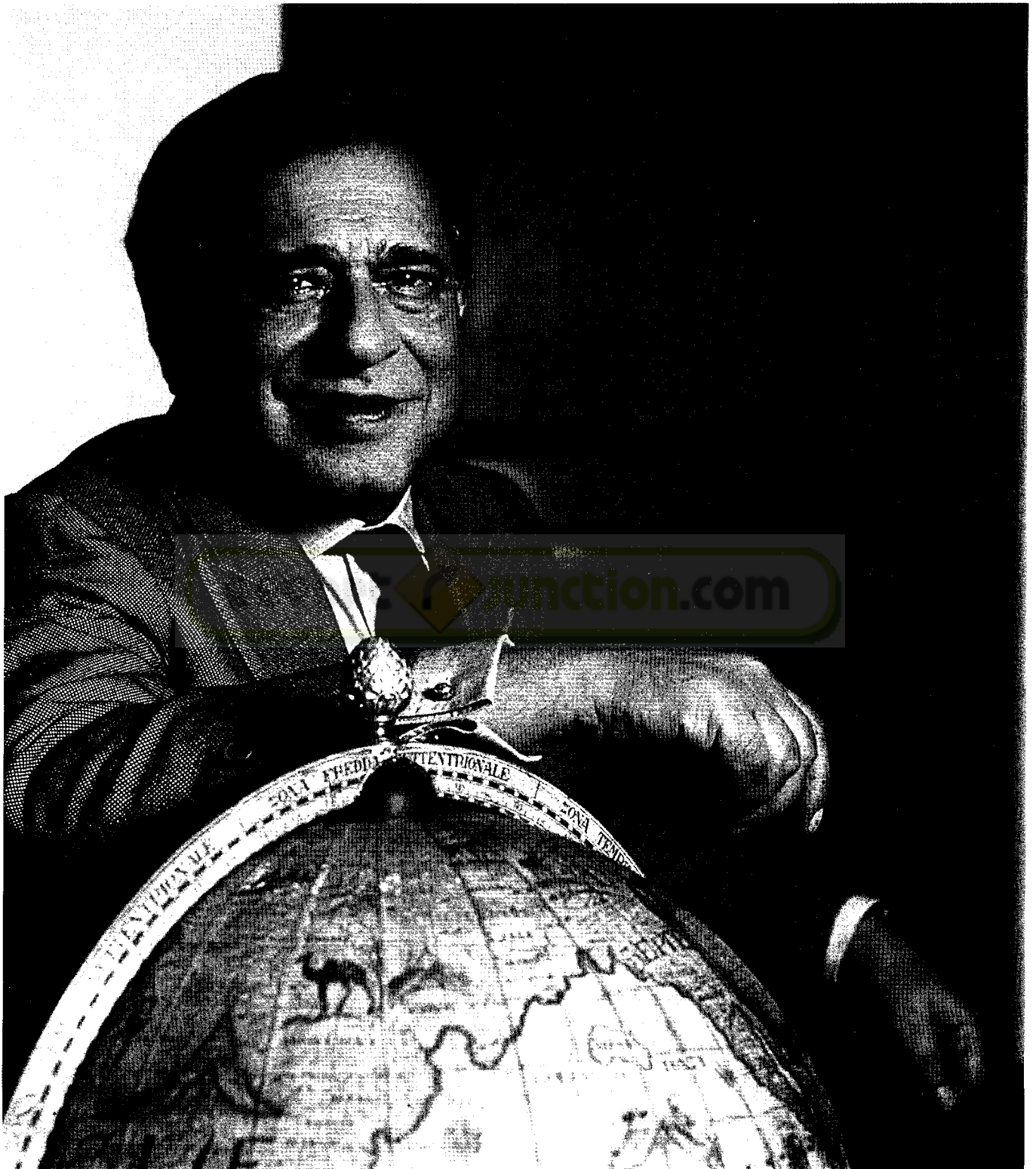
The Hongkong and Shanghai
Banking Corporation Ltd

State Bank of India

Citibank N.A.

REGISTERED OFFICE

4, Mangoe Lane
Kolkata 700 001



P.R.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.

Ms. Lyn Middlehurst and Mr. David Maslin launched the Gallivanter's Guide in November, 1991. The Guide reviews the best hotels and resorts around the world.

The Gallivanter's Guide offers very detailed reviews of each hotel. No freelance journalists are employed by the Guide. Only hotels that Ms. Lyn Middlehurst and Mr. David Maslin have personally assessed are included.

The Gallivanter's Guide is a monthly hotel review by subscription only. It is read by the world's top travellers in 34 countries, from North America and Europe to South America, Africa, Asia and Australia. All correspondence received from subscribers is answered personally. The Guide is, therefore, more like a private member's club rather than a travel publication.

Subscribers to the Guide are in the AB socio-economic bracket, travelling first or business class and staying in the best hotels. They are rarely price sensitive and look for quality accommodation, privacy and first class service and cuisine.

Worldwide corporate subscribers include investment banks, top travel advisors, hotel investors, travel magazine editors and hoteliers. Worldwide individual subscribers include company owners, CEO's, media personalities, royalty and other wealthy individuals.

Ms. Lyn Middlehurst and Mr. David Maslin have spent over 30 years travelling for both business and pleasure as discerning guests in the world's best hotels. It is for this reason that Ms. Lyn Middlehurst and Mr. David Maslin can identify so well with their readers.

The Guide devoted its issue of March, 2003, to Udaivilas. Udaivilas has been judged as the first hotel in the history of Gallivanter's Guide to be rated "one in a million". ✓✓✓✓✓✓

Reproduced in this Annual Report is the March, 2003 issue of The Gallivanter's Guide.

The



Gallivanter's Guide®

India
UDAIVILAS
SPECIAL



IDYLLIC PLACES FOR DEDICATED TRAVELLERS

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Gallivanter's Ratings.

~~~~~ One in a million  
~~~~~ Extraordinary  
~~~~~ Highly recommended  
~~~~~ Well worth a visit  
~~~~~ Good in parts  
~~~~~ Go if you must

An offer you *can* refuse.

How often do you fill out those hotel room questionnaires that ask you to score the quality of your stay? I very rarely have the time or the inclination, because most of the forms provided do not ask me the right questions. I also find it well nigh impossible to reduce actual human experiences down to check-lists, where the only reactions allowed range from 'poor' to 'excellent'. I would much rather talk to a General Manager or a Guest Relations person at the time the problem occurs and have them put it right, or, if that is not feasible, to deduct a suitable amount from my account in recompense.

When things do go wrong, however, there is something hugely satisfying about writing it all down on an hotel questionnaire or sending a diatribe to the General Manager, especially when you never managed to meet up with anyone in the hotel who could assuage your wrath.

The trouble is, those hotels that take hotel questionnaires seriously invariably write back to you and frequently offer a free night's stay at the hotel that so displeased you in the first place, thereby rewarding and punishing you in one fell swoop.

If you travel regularly to a particular destination, then a complimentary hotel stay can be a very good incentive to return. It also allows the hotel to put things right and to appear to you in a better light.

However, if the hotel in question is a resort, and one that you are unlikely to return to for a very long time, if at all, then the gesture of complimentary accommodation is meaningless. It is an offer that the hotel knows you will be unlikely to take up.

Of course, the best hotels never allow their guests to reach a stage of rampant displeasure, and try their utmost to turn every negative into a positive. As one hotelier once put it to me, "A good guest is an hotel's profit. A difficult guest is an hotel's progress".

'Not every hotelier, however, shares this view. Over the years, I have received several petulant letters from General Managers or owners who took umbrage at my reviews. Generally, these people have little interest in progress, but pursue profit and positive public relations as ends in themselves. Such people do not want to hear the truth and have no interest in welcoming me back to their hostelry in order to show me how good they can be. They would much rather I regurgitated their glowing press releases than tell it like it is.

You, however, do value the truth, which is why you subscribe to this Guide. You know that when I praise an establishment to distraction it is because I mean every word, and when I find fault, it is because there are real faults to be found.

Last month, David and I were so utterly entranced by a new hotel in India that we decided to devote almost this entire issue to it. There was certainly not enough room on the hotel questionnaire to do it justice. Indeed, an entire book of praises would be insufficient.

Lyn Middlehurst

Editor/Publisher