

F I F T H

*Annual
Report*

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A S I A N H O T E L S (W E S T) L I M I T E D



BOARD OF DIRECTORS

Sushil Gupta	Chairman and Managing Director
Sudhir Gupta	Executive (Whole-Time) Director
Sandeep Gupta	Executive (Whole-Time) Director
Lalit Bhasin	Independent Non-Executive Director
S. K. Chhibber, IAS (Retd.)	Independent Non-Executive Director
Raj Kumar Bhargava, IAS (Retd.)	Independent Non-Executive Director
Surendra Singh Bhandari	Independent Non-Executive Director
Sunil Diwakar	Non-Executive Director
Rajesh Adhikary	Alternate Director to Mr. Sunil Diwakar (w.e.f. 10th August, 2011)

COMPANY SECRETARY

Nikhil Sethi

AUDITORS

S.S. Kothari Mehta & Co.
Chartered Accountants
146-149, Tribhuvan Complex,
Ishwar Nagar, Mathura Road,
New Delhi - 110065

BANKERS

Kotak Mahindra Bank Ltd.
IDBI Bank Ltd.

**REGISTERED OFFICE & INVESTOR
RELATIONS DEPARTMENT**

E- 5, Clarion Collection-The Qutab Hotel,
Shaheed Jeet Singh Marg,
New Delhi - 110016
Tel No 011-46101207/46101210
Fax: 011-46101202
www.asianhotelswest.com

DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001

REGISTRAR & TRANSFER AGENTS

Karvy Computershare Pvt. Ltd.
Plot No. 17 to 24, Vithalrao Nagar,
Madhapur, Hyderabad - 500 081
Tel No. : 040-23420815-24
Fax No : 040-23420814
E Mail : mailmanager@karvy.com

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ASIAN HOTELS (WEST) LIMITED

Registered Office: E-5, Clarion Collection – The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110016

NOTICE

Notice is hereby given that the Fifth Annual General Meeting of Asian Hotels (West) Limited will be held on Wednesday, 12th September, 2012 at 3.00 p.m. at Airforce Auditorium, Subroto Park, New Delhi 110010 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date alongwith the Auditors' Report and Directors' Report thereon.
2. To declare dividend of Rs. 4/- per Equity Share.
3. To appoint a Director in place of Mr. Surendra Singh Bhandari who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Raj Kumar Bhargava who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

M/s. S. S. Kothari Mehta & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment and have confirmed that their appointment, if made, will be within the limits specified in Section 224(1B) of the Companies Act, 1956.

**By order of the Board
For Asian Hotels (West) Limited**

Place : New Delhi
Date : 3rd August, 2012

**Nikhil Sethi
Company Secretary**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members intending to send their authorized representative/(s) u/s 187 of the Companies Act, 1956 (the Act), are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
3. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
4. All the documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during office hours between 10.00 a.m. and 5.00 p.m. on all working days, for a period of twenty one days before the date of the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 6th September, 2012 till Wednesday, 12th September, 2012, inclusive of both days.
6. The dividend, if declared by the Company in the Annual General Meeting, will be paid to those members or to their mandates whose name stand registered as:
 - a) Beneficial owners as at the end of business on 5th September, 2012, as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and
 - b) Members whose names stand in the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company, as at the end of business on 5th September, 2012.
7. Shareholders who have not received and/or not encashed the dividend warrant(s) in respect of Dividend declared for the Financial Year 2009-10 & Financial Year 2010-11 are requested to apply for duplicate dividend warrant(s) by writing to the Company/Registrar.
8.
 - a) Members are requested to notify the Registrar and Share Transfer Agent/Company change in their address, if any, with pin code, quoting their folio number.
 - b) Members holding shares in electronic form should notify any change in their residential address or bank details directly to their respective Depository Participants.
9. Non-Resident Indian Shareholders are requested to inform the Registrar & Share Transfer Agent / Company/ respective Depository Participant:
 - a) Particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not already intimated.
 - b) Change, if any, in their Residential status.

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10. The Securities and Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company prints the bank account details, if available, on the warrant for distribution of dividend. Therefore, to avoid any fraudulent encashment of warrants, the members are requested to furnish, quoting their folio number, following information to the Registrar & Share Transfer Agents/Company/respective depository participant so that requisite details could be printed on all future dividend warrants:
- Name of the Sole/First Joint Holder, and
 - Particulars of his/her Bank account, viz. account number, name of Bank and complete address of the Branch with Pin code Number.
11. As per the provisions of the Act, facility for making nominations, in prescribed Form 2B, is available to individuals holding shares in the Company.
12. The Company has implemented the "Green Initiative" as per circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. Members who wish to receive Notices/ documents including those covered under Section 219 of the Companies Act, 1956 through electronic mode, are requested to confirm their email address to the Company / Registrar and Share Transfer Agent M/s Karvy Computershare Pvt. Ltd. quoting their Folio No./ DP Id - Client Id. The Notice of the AGM and copies of Audited Financial Statements, Directors Report, Auditors' Report etc will also be displayed on the website of the Company www.asianhotelswest.com and the other requirements of the aforesaid MCA circular will be duly complied with.
13. **Shareholders are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.**

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Mr. Surendra Singh Bhandari	Mr. Raj Kumar Bhargava
Date of Birth	20th January, 1948	26th October, 1935
Date of Appointment	23rd December, 2008	23rd December, 2008
Expertise in specific functional areas	Mr. Surendra Singh Bhandari is a Chartered Accountant with more than 39 years of rich experience and is a Senior Partner of M/s Surendra Singh Bhandari and Company, Chartered Accountants	Mr. Raj Kumar Bhargava is Retd. IAS Officer has held various portfolios during his tenure in Government of India and was former Secretary, Ministry of Home Affairs
Qualifications	F.C.A	B.A. (Hons); M.A. (History)
Details of shares held in the Company	Nil	3826
List of Companies in which outside Directorships held as on 31.03.2012 (excluding private & foreign Companies)	<ol style="list-style-type: none"> Asian Hotels (East) Limited Vaibhav Gems Limited Bank of Baroda 	<ol style="list-style-type: none"> Kajaria Ceramics Limited Duncan's Limited H. B. Portfolio Limited Noida Toll Bridge Company Limited Inovoa Hotels and Resorts Limited JCL International Limited
Chairman / Member of the Committees of other Companies on which he is a Director as on 31.03.2012	<p>Audit Committee</p> <ol style="list-style-type: none"> Vaibhav Gems Limited Asian Hotels (East) Limited <p>Remuneration & Compensation Committee</p> <ol style="list-style-type: none"> Vaibhav Gems Limited Asian Hotels (East) Limited Bank of Baroda <p>Shareholders/Investor Grievance Committee</p> <ol style="list-style-type: none"> Vaibhav Gems Limited Bank of Baroda <p>ALM & Risk Management Sub Committee & Sub Committee of the Board on High Value Frauds</p> <ol style="list-style-type: none"> Bank of Baroda 	<p>Audit Committee</p> <ol style="list-style-type: none"> Noida Toll Bridge Company Limited Duncan's Limited H. B. Portfolio Limited Kajaria Ceramics Limited <p>Share Transfer and Investor Grievance Committee</p> <ol style="list-style-type: none"> Noida Toll Bridge Company Limited Duncan's Limited H. B. Portfolio Limited

ASIAN HOTELS (WEST) LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 5th Annual Report and Audited Accounts for the Financial Year ended on 31st March, 2012 (i.e. for the period commencing from 1st April, 2011 to 31st March, 2012).

OBJECTS, OPERATIONS AND FINANCIAL RESULTS

A summarized position of the profits, taxation, dividend, pay-out and transfer to reserves for the year under review, on standalone basis, is given below:

(Rupees in Crores)

Particulars	2011-12	2010-11
Income	135.78	134.94
Expenditure	116.38	111.64
Profit Before Tax	19.40	23.30
Provision for Taxation		
– Current Tax	5.82	7.02
– Deferred Tax Charge (Credit)	0.31	(0.64)
Net Profit	13.27	16.92
Amount Brought Forward	105.71	97.57
Profit Available for Appropriation	118.98	114.49
Transfer to General Reserve	1.35	1.75
Proposed Dividend on Equity Shares	4.58	4.58
Dividend on Non Convertible Preference Shares	–	0.01
Corporate Dividend Tax	0.73	0.75
Transfer to Debenture Redemption Reserve	3.50	1.69
Surplus Carried Forward	108.82	105.71
Earnings Per Share – Basic (Rupees)	11.58	14.83
Earnings Per Share – Diluted (Rupees)	11.58	14.75

CONSOLIDATED FINANCIAL STATEMENTS

In terms of the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India a general exemption has been granted to the holding Companies from attaching with their balance sheet a copy of the balance sheet, profit and loss account etc. of each of its subsidiaries subject to fulfillment of certain conditions.

The Board of Directors of the Company has approved availing of the benefit under the aforesaid circular. Accordingly, the members have been circulated standalone Financial Statement of the Company for the Financial Year 2011-12 alongwith Consolidated Financial Statement for the Financial Year 2011-12.

DIVIDEND

The Board has recommended for approval of shareholders, a dividend of 40% (amounting to Rs. 4/-per Share) (Previous period dividend @ 40%) for the Financial Year ended 31st March, 2012 to be paid on 1,14,58,303 Equity Shares of the Company aggregating a distribution of Rs. 4.58 Crores (Previous Year Rs. 4.58 Crores).

SUBSIDIARY COMPANIES

A. ARIA HOTELS AND CONSULTANCY SERVICES PRIVATE LIMITED (ARIA)

The upcoming J. W. Marriott Hotel at the Hospitality District near the Indira Gandhi International Airport, New Delhi, being developed by Aria, is expected to be operational in the month of September, 2012. The management had reviewed the estimated project cost at approx. Rs. 754.86 Crores i.e. an increase of approx. Rs. 50.00 Crores from the originally estimated cost of Rs. 704.86 Crores primarily due to adverse Foreign exchange fluctuations, increase in steel & cement prices etc. The said escalation in Project cost is proposed to be funded partly through additional term loan and balance through deposit against sub-licensing of commercial space at the aforesaid Hotel. The entire funding for the Project has been tied up.

B. INOVOA HOTELS AND RESORTS LIMITED (IHRL)

M/s Inova Hotels and Resorts Limited became a Subsidiary of the Company during the financial year under review. IHRL is presently owning and operating The Clarion Hotel, EPIP Zone, Whitefield, Bengaluru. The Clarion Hotel, Bengaluru is a Contemporary Boutique Hotel.

SALE OF LAND AT PUNE, MAHARASHTRA

The Company had earlier acquired a land situated at Hinjewadi District, Pune for construction of 4 star Hotel but in view of excess supply of Hotel rooms in Pune and lower ARR levels at Pune, the Company do not envisage opening of a new Hotel at the said land in near future and has accordingly, executed a MOU for sale of said land at a total consideration of Rs. 8.90 Crores.

BORROWINGS

A. NON CONVERTIBLE DEBENTURES

On 25th June, 2010 the Company had issued 1000 Rated, Taxable, Secured, redeemable, Non - Convertible Debentures (NCDs) of the face value of Rs. 10 Lacs each, aggregating to Rs. 100 Crores, on private placement basis to Kotak Mahindra Bank Limited. The

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Company has appointed M/s IDBI Trusteeship Services Limited, Mumbai as the Debenture Trustee and M/s Karvy Computershare Pvt. Ltd. as Registrar and Transfer Agents in relation to the aforesaid NCDs. In terms of the issue of the aforesaid NCDs, during the Financial Year 2011-12 your Company has redeemed NCDs of the face value of Rs. 14 Crores. Total outstanding NCDs as on 30th June, 2012 is Rs. 75.25 Crores, which shall be redeemed by the Financial Year 2015-16 in unequal quarterly installments.

B. LOANS

- (i) The Company had availed secured loan of Rs. 45 Crores from Kotak Mahindra Bank Limited during previous Financial Year. In accordance with the terms and conditions of the aforesaid loan, during the Financial Year 2011-12, the Company has partly repaid the above loan upto the extent of Rs. 6 Crores. The outstanding loan as on June 30, 2012 amounts to Rs. 34 Crores which shall be repaid by the Financial Year 2015-16 in unequal quarterly installments.
- (ii) The Company had earlier availed Loan of Rs. 1 Crore from Kotak Mahindra Prime Limited for purchase of cars for Hotel Hyatt Regency, Mumbai.

C. GUARANTEES

- (i) During the period under review, the Company granted Corporate Guarantee(s) for import of Capital Goods under EPCG to customs authorities / DGFT for and on behalf of:
 - Aria Hotels and Consultancy Services Pvt. Ltd., Subsidiary of the Company for an aggregate amount of Rs. 26.42 Crores as on 30th June, 2012.
 - Inovia Hotels and Resorts Limited (IHRL), Subsidiary of the Company for replacement of Bank Guarantees furnished by IHRL for an aggregate amount of Rs. 44.48 Crores (Previous Year Rs. Nil).
- (ii) The Company also issued Corporate Guarantee aggregating to Rs. 37.50 Crores in favour of Kotak Mahindra Bank Ltd. for an on behalf of Inovia Hotels and Resorts Limited (IHRL), Subsidiary Company for availing of loan by IHRL.

All the above borrowings are within the powers of the Board of Directors of the Company approved by the shareholders of the Company.

FUTURE PROSPECTS

The Company is on the lookout for sites having growth potential and your Directors are reasonably confident that it will result in expanding our footprint and thereby enhancing the Shareholders' value.

AUDITORS

M/s. S. S. Kothari Mehta & Co. Chartered Accountants, the present Auditors of the Company, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. They have certified that their appointment, if made, will be in accordance with the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board of Directors of the Company has recommended their re-appointment.

INTERNAL AUDIT

M/s KSMN & Co., Chartered Accountants, the internal auditors of the Company have conducted periodic audit of all operations of the Company. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

DIRECTORS

During the period under review, Mr. Rajesh Adhikary was appointed as the Alternate Director to Mr. Sunil Diwakar, Director of the Company with effect from 10th August, 2011.

In accordance with the requirement of the Companies Act, 1956 and pursuant to the Article 116 of the Articles of Association, two of your Directors viz. Mr. Surendra Singh Bhandari and Mr. Raj Kumar Bhargava retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

Pursuant to Section 217 (2AA) of the Act, your Directors confirm as under:

- that in the preparation of annual accounts for the year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to any material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period under review and of the profit of the Company for that period.
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the annual accounts on a going concern basis;

The significant accounting policies followed by the Company and the required disclosures are detailed in the Schedules to the annual accounts.

The Audit Committee of the Board of Directors reviewed the financial statements, prepared in accordance with revised Schedule VI of the Companies Act, 1956 for the year under review at its meeting held on 3rd August, 2012 and recommended the same for the approval of the Board of Directors.

INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to the conservation of energy, technology absorption, foreign exchange earnings and outgo are to the extent possible, in the opinion of your Directors, given in Annexure 'A' annexed hereto.

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PERSONNEL

Your Directors wish to appreciate the dedicated efforts and hard work of personnel at all levels that has made the existing results possible.

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of this Report, is given in Annexure 'B'.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance for the Financial Year 2011-12 together with Auditor's Certificate on Corporate Governance is appended to the Annual Report as Annexure 'C' and 'D' respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is given below:

Industry Structure, Development & Outlook

Tourism industry is one of the largest industries in the world today with more and more people travelling for leisure or business, thanks to higher disposable income and falling travelling costs. The Indian hospitality industry has recorded healthy growth fuelled by robust inflow of foreign tourists as well as increased tourist movement within the country and it has become one of the leading players in the global industry. In the past few years, India has witnessed spurring growth in both international and domestic tourists. The country greets around 5.5 million international visitors every year and nearly 740 million domestic tourists.

In 2011, the global travel and tourism industry employed close to 258 million people and generated USD 5,991.9 billion or 9.1% of the world's GDP.

According to the World Travel and Tourism Council (WTTC) estimates, India's total contribution of Travel & Tourism to employment (including wider effects from investment, the supply chain and induced income impacts) was around 37.6 million jobs in 2011 (7.5% of total employment). By 2021, Travel & Tourism is forecast to support 47.4 million jobs (8.1% of total employment), an increase of 2.3% per annum over the period.

The fortunes of the hospitality industry are closely linked with the tourism industry and hence tourism is one of the most important growth drivers for the hospitality industry. In addition, all the factors that aid growth in the tourism industry are also the major growth drivers for the hospitality industry. The Indian hospitality industry has recorded healthy growth in recent years.

India occupies the sixty-eighth (68th) position among the top tourist destinations in the world, according to the Travel and Tourism Competitiveness Report 2011.

Government of India has increased spending on advertising campaigns (including for the campaigns 'Incredible India' and 'Athithi Devo Bhava' - Visitors are like God) to reinforce the rich variety of tourism in India.

According to the latest Tourism Satellite Accounting (TSA) research, released by the World Travel and Tourism Council (WTTC), the demand for travel and tourism in India is expected to grow by 8.2 % between 2010 and 2019. This will place India at the third position in the world. India's travel and tourism sector is expected to be the second largest employer in the world. Capital investment in India's travel and tourism sector is expected to grow at 8.8 % between 2010 and 2019. The report forecasts India to get more capital investment in the travel and tourism sector and is projected to become the fifth fastest growing business travel destination from 2010 through 2020

Industry observers feel that 2012 will be bearish as it may not be possible for the Government of India to get out of the current slump with various state governments going into election mode would have a further negative impact on business sentiments and travel. There is still a fair bit of new supply which will enter many of the Indian cities and this will continue to offer rate pressure on the hotels resulting in the rates declining 5-10 percent across India and occupancy will be under pressure to hold on to 2011 levels in many of the markets.

In the long-term, the outlook for the sector is very promising. Demand levels are likely to improve as economic growth gathers momentum and companies increase spending on travel. The number of foreign tourists is expected to reach 11.1 million by 2021.

Opportunities, Threats, Risks and Concerns

India offers a readymade tourist destination with the resources it has. Thus the magnet to pull tourists already exists and has potential to grow. Hotels form one of the most important support service that affect the arrival of tourist to a country. A very wide variety of hotels is present in the country that can fulfill the demand of the tourists. The strengths of the industry includes that the manpower costs in the Indian hotel industry is one of the lowest in the world. This provides better margins for Indian hotel industry. Demand between the national and the inbound tourists can be easily managed due to difference in the period of holidays. For international tourists the peak season for arrival is between September to March when the overall climatic conditions is pleasant and suitable, whereas the national tourist normally wait for school holidays, generally the summer months. In the long-term the hotel industry in India has latent potential for growth. This is because India is an ideal destination for tourists as it is the only country with the most diverse topography. For India, the inbound tourists are a mere 0.49% of the global figures. This number is expected to increase at a phenomenal rate thus pushing up the demand for the hotel industry.

If there are opportunities one can find threats. Inadequate infrastructure and high rate of taxation continues to be a stumbling block for the growth of tourist traffic. The government also needs to build more Convention Centres to attract MICE business. The economic conditions of a country also have a direct impact on the earnings in hotel industry.

Review of Operational and Financial Performance

The Company has achieved an aggregate turnover of Rs. 135.78 Crores (Previous period Rs. 134.94 Crores) for the financial year ended on 31st March, 2012. Profit after taxes for the year under review was Rs. 13.27 Crores (Previous period Rs. 16.92 Crores).

Segment wise Performance

During the period under review, the Company is engaged in only one segment of Hotel Business hence segment wise performance is not applicable.

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Internal Control Systems and their Adequacy

The Company has standard operating procedures. It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. The internal auditors of the Company had regularly conducted exhaustive internal audits pertaining to all operational areas and their reports were placed before the Audit Committee for its review and recommendations.

Human Resources and Industrial Relations

Smooth Industrial Relations and effective Human Resource Management are the key factors contributing towards success in the industry. As our company is part of the hospitality industry the importance of efficient and motivated human resources helps in achieving complete customer satisfaction, which in turn has direct impact on the brand image and turnover of the Company. The Company enjoys harmonious relationship with its employees. The employee strength of the Company, as on 31st March, 2012 was 687.

ACKNOWLEDGEMENT

Your Directors would like to express its sincere appreciation and gratitude to the Company's valued customers, the Government of India, State Governments, various Financial Institution(s) and Banks for their continued support and confidence in the Company. The Board would also like to place on record its deep sense of appreciation for the continued confidence reposed in the Company by the Shareholders as well as the sincere efforts put in by the executives and staff at all levels for progress of the Company.

For and on behalf of the Board of
Asian Hotels (West) Limited

Place : New Delhi
Dated : 3rd August, 2012

Sushil Gupta
Chairman and Managing Director
DIN 00006165

ANNEXURE – A FORMING PART OF THE DIRECTORS' REPORT

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A) CONSERVATION OF ENERGY

S. No.	Energy conservation measure taken during the year 2011-12	Impact (savings in Lac Rs. per annum)
1.	Replacement of guest room corridor 35 watt halogen lamps with 10 watt LED lamps	10.0
2.	Replacement of guest room side 20 W emergency halogen lamps with 10 W LED lamps	4.25
3.	Replacement of steam traps and steam control at laundry	2.0
4.	Sensor taps in back areas and Recycled STP water for water bodies.	6.5

S. No.	Additional Investment – proposal for the year 2012-13	Impact (savings in Lac Rs. per annum)
1.	Recycling of STP water back to flush and cooling tower, 3D TRASAR technology	20.00
2.	Replacement of AR111 lamps with IRC lamps	7.5
3.	Wind power benefit on monthly energy bill	40.0
4.	Heat Pump for hot water	45.0
5.	Replacement of 50 Watt halogen lamps in lobby with 10 Watt LED lamps	15.0

B) TECHNOLOGY ABSORPTION

In the Opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable as hotels form part of the service industry and the Company does not have any significant manufacturing operations.

C) FOREIGN EXCHANGE EARNINGS

- The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- Foreign exchange earnings (on receipt basis) have shown a downfall considering the global meltdown and the recession in the economies across the world. Current period earnings amounted to Rs. 75.66 Crores (Rs. 86.25 Crores in previous period) against which the outgo in foreign exchange was equivalent to Rs. 15.40 Crores (Rs. 12.73 Crores in previous period).
- Details of foreign exchange earnings and outgo are given at Note 43 to the Balance sheet and Profit and Loss Account of the Company for the financial year ended on 31st March, 2012.

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ANNEXURE B FORMING PART OF THE DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956 (FINANCIAL YEAR 2011-12)

S. No.	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (IN RS.)	QUALIFICATION	EXPERIENCE (YRS)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD / DESIGNATION / PERIOD
EMPLOYED THROUGHOUT THE YEAR								
1	Sushil Gupta	69	Chairman & Managing Director	86,49,200	F.S.C., CHA	49	10.04.1981	Industrialist
2	Aseem Kapoor	43	General Manager, Hyatt Regency Mumbai	1,14,70,636	Diploma in Hotel Management, IHM Mumbai	23	01.06.2008	Resident Manager, Park Hyatt Dubai (3 Yrs)
3.	Sudhir Gupta	53	Executive (Whole-time) Director	73,91,360	B.Com	29	10.05.2010	Industrialist
4.	Sandeep Gupta	43	Executive (Whole-time) Director	59,43,600	B.Com(Hons) SRCC, New Delhi, MBA from Notre Dame University, USA., Specializing in Finance & Marketing, PDP – Cornell University	21	10.05.2010	Hotelier

1. Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to pension fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax Rules, Performance incentive, Ex-gratia payments and Commission to Chairman & Managing Director. Performance incentives and Ex-gratia payments to the executives and commission to Chairman & Managing Director and Executive (Whole-time) Directors are included on payment basis.
2. All the appointments except that of Mr. Aseem Kapoor are on contractual basis.
3. Mr.Sushil Gupta, Chairman and Managing Director of the Company, is brother of Mr. Sudhir Gupta Executive (Whole-time) Director of the Company and is father of Mr. Sandeep Gupta, Executive (Whole time) Director of the Company. Mr. Aseem Kapoor is not related to any of Directors of the Company.

ASIAN HOTELS (WEST) LIMITED

ANNEXURE "C" FORMING PART OF DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

The Company is totally committed to providing the shareholders and other stakeholders with an insight into the working of the Company and acknowledges the importance of practicing good Corporate Governance while conducting its business, for creation of wealth for shareholders.

The status of compliance with Clause 49 of the Standard Listing Agreement for the Financial Year 2011-12 is enumerated herein below:

Board of Directors

As on the date of this report, the Board of Directors of the Company comprises of Eight Directors, excluding an Alternate Director, out of which four are Independent and Non-Executive Directors and one Non-Executive Director and remaining three are Whole-time Directors.

Mr. Sushil Gupta is a Chairman and Managing Director of the Company. In terms of the requirements of Clause 49 of the Listing Agreement, at least fifty percent of the Board comprises of Independent Non-Executive Directors.

The Company is following prescribed Board procedures and provided detailed notes in advance on all the businesses proposed to be dealt with at the Board Meetings. The Board meets at least once every quarter. During the period under review, 4 meetings of the Board of Directors took place. These meetings were held on 30th May, 2011; 10th August, 2011; 12th November, 2011; 9th February, 2012.

Pursuant to the provisions of Clause 49, the composition of the Board, details of Directorships held, committee membership / chairmanship held, and attendance of the Directors at the Board meetings and at the last Annual General Meeting is given below:

S. No.	Name of the Director	Category	No. of Board Meetings Attended	Last AGM attended	No. of Other Directorships held in Private Companies	No. of Other Directorships held in Public Companies	No. of Committee Memberships in other Public Companies	No. of Chairmanships in such Committees
1.	Mr. Sushil Gupta	Chairman & Managing Director	4	Yes	4	2	–	–
2.	Mr. Raj Kumar Bhargava	Independent Non-Executive	4	Yes	1	6	7	4
3.	Mr. S.K. Chhibber	Independent Non-Executive	4	Yes	1	3	1	–
4.	Mr. Lalit Bhasin	Independent Non-Executive	3	Yes	3	9	6	1
5.	Mr. Surendra Singh Bhandari	Independent Non-Executive	3	No	–	3	4	3
6.	Mr. Sudhir Gupta	Executive (Whole - time) Director	4	Yes	–	1	–	–
7.	Mr. Sandeep Gupta	Executive (Whole - time) Director	4	Yes	3	1	1	–
8.	Mr. Sunil Diwakar	Non-Executive	1	No	–	8	7	–
9.	Mr. Rajesh Adhikary*	Non- Executive	3	N.A.	1	1	1	–

* Appointed as an Alternate Director to Mr. Sunil Diwakar of the Company w.e.f. 10th August, 2011.

Committee of Directors

The following Committees of the Board of Directors of the Company have been constituted: -

a) Audit Committee:

The Audit Committee of the Board of Directors of the Company comprise of three Independent & Non – Executive Directors, namely Mr. Raj Kumar Bhargava, Mr. Lalit Bhasin and Mr. Surendra Singh Bhandari.

The Committee functions under the chairmanship of Mr. Raj Kumar Bhargava, a Retired IAS Officer, who has held various portfolios during his tenure in the Central Government and has adequate knowledge of the finance and accounts function.

The terms of reference and the powers of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 (the Act).

The Chairman and Managing Director is the permanent invitee to the Audit Committee meeting. The Company Secretary acts as Secretary to the Committee.

During the year under review, five meetings of the Audit Committee were held on 30th May, 2011; 10th August, 2011; 12th November, 2011; 9th February, 2012 and 23rd March, 2012 details of which are as under:

Name of the member	Category	No. of Audit Committee meetings attended
Mr. Raj Kumar Bhargava,	Independent, Non-Executive	5
Mr. Lalit Bhasin	Independent, Non-Executive	4
Mr. Surendra Singh Bhandari	Independent, Non-Executive	3