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PRESS RELEASE

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INDIA

Mahindra Holidays & Resorts India Limited IPO: Price band fixed between Rs. 275 and Rs. 325 per equity share
Issue opens on June 23, 2009 and closes on June 26, 2009

Mumbai, June 19, 2009: Mahindra Holidays & Resorts India Limited (“MHRIL” or the “Company”), one of the leading leisure hospitality providers in India offering quality family holidays and a part of Mahindra Group, has fixed the price band between Rs. 275 and Rs. 325 per equity share for an initial public offering of 92,65,275 equity shares of Rs. 10 each for cash at a price to be decided through a 100% book-building process (the “Issue”). The Bid/ Issue opens on June 23 and closes on June 26, 2009.

The Issue has been assigned 4 out of 5 IPO grading by Fitch Ratings India Private Limited reflecting 'above average fundamentals' of the Issue relative to other listed equity securities.

The Issue comprises a fresh issue of 58,96,084 equity shares and an offer for sale of 33,69,191 equity shares by Mahindra & Mahindra Limited (the “selling shareholder”). The Issue would constitute 11.0% of the fully diluted post-issue paid-up capital of the Company. At least 60% of the Issue will be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”), out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. The minimum bid lot size is 20.

The proceeds from MHRIL’s proposed issue are expected to be deployed in the setting up of new projects and expansion of some of the existing resorts, to provide a larger range of resorts, and hence a wider choice of holiday destinations to members.

The Global Coordinator and Book Running Lead Manager (“GCBRLM”) is Kotak Mahindra Capital Company Limited. HSBC Securities and Capital Markets (India) Private Limited and SBI Capital Markets are the BRLMs. The equity shares offered through the Red

Herring Prospectus ("RHP") of the Company are proposed to be listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE").

MHRIL, one of the leading players in the leisure hospitality industry, offers quality family holidays primarily through vacation ownership memberships. MHRIL's flagship brand is Club Mahindra Holidays, which has been selected as Superbrand 2009. MHRIL has also introduced new vacation ownership offerings such as Zest and Club Mahindra Fundays, Mahindra Homestays, travel and holiday related services through clubmahindra.travel. The cumulative member base increased to 92,825 in fiscal 2009 from 38,691 in fiscal 2006. As of May 31, 2009, MHRIL has 96,067 members and 27 resorts across India and Thailand. About 35.18% of new member additions in FY09 came from referrals by existing members.

Note:

Mahindra Holidays & Resorts India Limited ("Company") proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a Red Herring Prospectus with the Registrar of Companies. The Red Herring Prospectus is available on the website of SEBI at www.sebi.gov.in as well as on the websites of the GCBRLM and the BRLMs at www.kotak.com, www.hsbc.co.in and www.sbicaps.com.

Any potential investor should note that investment in equity shares involves a high degree of risk. For details, potential investors should refer to the Red Herring Prospectus, which has been filed with the Registrar of Companies including the section titled "Risk Factors". Potential investors should not rely on the Draft Red Herring Prospectus filed with SEBI.

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