

AUDITORS' CERTIFICATE

To

The Board of Directors,
Mahindra Holidays & Resorts India Limited,
Mahindra Towers,
2nd floor, No. 17/18, Patullos Road,
Chennai – 600 002, Tamilnadu.

1. In connection with the proposed “Scheme of Amalgamation” (“the Scheme”) duly signed by the Company Secretary of the Company (attached as Annexure 1 to the undertaking) under section 391 to 394 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 and Sections 100 to 104 of the Companies Act, 1956, for amalgamation of Competent Hotels Private Limited (“CHPL”), Divine Heritage Hotels Private Limited (“DHHPL”) and Holiday on Hills Resorts Private Limited (“HHRPL”) (the wholly owned subsidiaries of the Company) with the Mahindra Holidays & Resorts India Limited (“MHRIL”, “the Company”), we, Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No: 008072S), the statutory auditors of **Mahindra Holidays & Resorts India Limited** having its Registered Office at Mahindra Towers, 2nd floor, No. 17/18, Patullos Road, Chennai – 600002, Tamil Nadu, have examined the unaudited books of accounts, the proposed scheme and other relevant books and records maintained by the Company in the usual course of its business for the purpose of certifying the accompanying “Undertaking in relation to Non – Applicability of the requirements prescribed in Paragraph 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by Paragraph 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013)”, (the Modified paragraph 5.16 of the SEBI Circular) (“the Undertaking”), duly stamped and initialed for identification purpose. The Board of Directors of the Company have approved the Undertaking vide their Board Resolution dated 22nd January, 2015.
2. The Management of the Company is responsible for the preparation of the Undertaking and the maintenance of proper books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation of the Undertaking that is free from material misstatement whether due to fraud and error. Compliance with applicable SEBI Circular is also the responsibility of the Company’s management
3. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in the Undertaking on the basis of the Proposed Scheme, unaudited books of account and other relevant records and documents maintained by the Company and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India, which include the concepts of test checks and materiality.



4. On the basis of our examination of the Proposed Scheme, unaudited books of account and other relevant records and documents as referred to in Paragraph 3 above and according to the information and explanations provided to us by the Management of the Company, we certify that the Undertaking provided by the Board of Directors of the Company that the sub-para (a) of the Modified paragraph Para 5.16 of the SEBI Circular is not applicable to the Proposed Scheme for the reasons stated in the said Undertaking, is in accordance with the unaudited books of account, the Proposed Scheme and other relevant records and documents maintained and provided to us by the Company.
5. This Certificate is issued at the request of the Management of the Company for submission to the BSE Limited, National Stock Exchange of India Limited and the Securities and Exchange Board of India in terms of Para 5.16 of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (as modified by SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013) and should not be used for any other purpose without our prior written consent.

For **DELOITTE HASKINS & SELLS**
CHARTERED ACCOUNTANTS
(Registration No. 008072S)

M.K. Ananthanarayanan

M.K. ANANTHANARAYANAN
PARTNER
MEMBERSHIP No. 19521

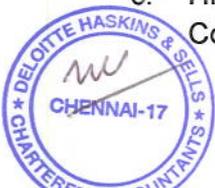
REF: MKA/ MHRIL /003/ 2014-15

Chennai, February 11, 2015



**UNDERTAKING IN RELATION TO NON - APPLICABILITY OF PARAGRAPH PARA 5.16(a)
OF SEBI CIRCULAR NO. CIR/CFD/DIL/8/2013 DATED MAY 21, 2013**

1. The entire share capital of Competent Hotels Private Limited ("CHPL" or "the Transferor Company 1") and Divine Heritage Hotels Private Limited ("DHHPL" or "the Transferor Company 2") and Holiday on Hills Resorts Private Limited ("HHRPL" or "the Transferor Company 3") (collectively referred to as "Transferor Companies") is held by Mahindra Holidays & Resorts India Limited ("MHRIL" or "the Company" or "the Transferee Company"). Accordingly, upon the proposed Scheme of Amalgamation and Arrangement between Competent Hotels Private Limited and Divine Heritage Hotels Private Limited and Holiday on Hills Resorts Private Limited with Mahindra Holidays & Resorts India Limited and their Shareholders and Creditors under section 391 to 394 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 and 100 to 104 of the Companies Act, 1956 ('the Scheme'), becoming effective, no shares of the Company will be allotted in lieu of the merger of the Transferor Companies into the Transferee Company. Therefore, the question of issuing additional shares to Promoter/ Promoter Group, Related Parties of the Promoter/ Promoter Group, Associates of Promoter/ Promoter Group or subsidiary/(s) of Promoter/ Promoter Group of the Company does not arise at all.
2. Further, the proposed Scheme relates to amalgamation of the Transferor Companies with the Company (which is the holding company of Transferor Companies) and does not involve any other entity involving Promoter/ Promoter Group, Related Parties of the Promoter/ Promoter Group, Associates of Promoter/ Promoter Group or subsidiary/(s) of Promoter/ Promoter Group of the Company.
3. It is further stated that:
 - a. CHPL was incorporated in the year 1986 and 100% stake was acquired by the Company in CHPL from third party individuals during the month of June 2014.
 - b. DHHPL was incorporated in the year 2008 and 100% stake was acquired by the Company in DHHPL from third party individuals during the year ended 31 March 2013.
 - c. HHRPL was incorporated in the year 1996 and 100% stake was acquired by the Company in HHRPL from third party individuals during the year ended 31 March 2013.



Mahindra Holidays & Resorts India Limited

Corporate Office: Mahindra Towers, 1st floor, 'A' wing, Dr. G.M. Bhosle Marg, P.K. Kurne Chowk, Worli, Mumbai - 400 018
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Accordingly, the parent listed company i.e the Company has not acquired the equity shares of its wholly-owned subsidiaries i.e the Transferor Companies by paying consideration in cash or in kind in the past to any of the shareholders of the Transferor Companies, who are Promoter / Promoter Group, Related Parties of the Promoter / Promoter Group, Associates of Promoter / Promoter Group or subsidiary / (s) of Promoter / Promoter Group of the Company.

4. In view thereof and pursuant to Para 7 of the revised SEBI Circular No CIR/CFD/DIL/8/2013 dated May 21, 2013, the requirement stated at Para 5.16(a) of the SEBI Circular No CIR/CFD/DIL/5/2013 dated February 4, 2013 is not applicable to the proposed Scheme.

For Mahindra Holidays & Resorts India Limited




Dimesh Shetty
Head Legal & Company Secretary

Mumbai, 22nd January, 2015



Mahindra Holidays & Resorts India Limited

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