



## Director Shareholding

India Hospitality Corp. ("IHC" or the "Company") has today agreed to issue 1,873,000 ordinary shares of USD0.001 each ("Ordinary Shares") to Ravi Deol (CEO of IHC) and 936,500 Ordinary Shares to Sandeep Vyas (COO of IHC) at par value (the "Initial Share Issue") pursuant to share grant agreements entered into with Mr Deol and Mr Vyas.

Additionally, the Company has agreed to issue to Mr Deol and Mr Vyas up to a further 1,873,000 and 936,500 Ordinary Shares respectively at par value, based on meeting certain share price targets below (the "Conditional Share Issue"):

Condition (the "Conditions")	Number of shares to be issued	
	Ravi Deol	Sandeep Vyas
that the Ordinary Shares trade at no lower than \$5.00/share for twenty (20) consecutive trading days	936,500	468,250
that the Ordinary Shares trade at no lower than \$6.50/share for twenty (20) consecutive trading days	468,250	234,125
that the Ordinary Shares trade at no lower than \$8.50/share for twenty (20) consecutive trading days	468,250	234,125

Subject to certain limited exceptions, Mr Deol and Mr Vyas have agreed to the following restrictions on the transfer of these shares:

- the shares issued pursuant to the Initial Share Issue may not be transferred within six months from issue; and
- any shares issued as a consequence of the satisfaction of a Condition may not be transferred within three months from the relevant Condition having been satisfied.

Following the Initial Share Issue, Mr Deol will be interested in 1,873,000 Ordinary Shares in the Company and Mr Vyas will be interested in 936,500 Ordinary Shares in the Company, representing an interest of 6.06% and 3.03%, respectively in the total voting rights of the Company.

Should all of the Conditions be satisfied (and all of the Ordinary Shares duly issued), Mr Deol and Mr Vyas would be interested in 11.10% and 5.61% of the total voting rights of the Company respectively, assuming no additional ordinary shares are issued by the Company or acquired by Mr Deol or Mr Vyas in the intervening period.

Application to the London Stock Exchange has been made for the new Ordinary Shares to be issued pursuant to the Initial Share Issue to be admitted to trading on AIM. It is expected that admission will become effective on 2 July 2009. Following the Initial Share Issue, the Company will have 30,907,750 Ordinary Shares in issue.

## Related Party Transaction

Mr Deol, a director of the Company, will be issued up to a total of 3,746,000 ordinary shares, subject (in the case of 1,873,000 Ordinary Shares) to satisfaction of the Conditions. Mr Vyas, a director of the Company, will be issued up to a total of 1,873,000 Ordinary Shares, subject (in the case of 936,500 Ordinary Shares) to satisfaction of the Conditions.

The issue of shares to Mr Deol and Mr Vyas are classified as related party transactions for the purposes of the AIM Rules. Accordingly the Company's directors (other than Ravi Deol and Sandeep Vyas), having consulted with Grant Thornton UK LLP (in its capacity as the Company's nominated adviser), confirm that they are satisfied that the terms of the share issue are fair and reasonable insofar as the shareholders of the Company are concerned.

## For Further Information Contact:

India Hospitality Corp.  
Raghavendra Agarwal

+91 22 4090 6148  
ragarwal@ihcor.com  
[www.indiahospitalitycorp.com](http://www.indiahospitalitycorp.com)

Nominated Adviser: Grant Thornton UK LLP  
Fiona Owen  
+44 20 7383 5100

Broker: Noble & Company Limited  
Sunil Sanikop  
+44 20 7763 2200

Media Contact: Mutual Public Relations Ltd.  
Harsh Wardhan  
+91 11 4362 0700

Investor Relations Contact: ICR Inc.  
William Schmitt  
+1 203 682 8200

### **About India Hospitality Corp.**

India Hospitality Corp. is a diversified pan-Indian hospitality and leisure company. In July 2007, IHC closed on the acquisition of India-based Mars Restaurants Private Limited, an emerging hotel and restaurant company, and SkyGourmet Catering Private Limited, an airline catering company with 2,800 employees across its facilities in India, from Navis Capital Partners and its affiliates.