

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action you should take in relation to this Circular you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other professional adviser. If you sell or have sold or transferred your shares in Yatra Capital Limited, this Circular and any other related documents should be passed on to the person or persons through/to whom the sale or transfer was effected for transmission to the purchaser or transferee.

YATRA CAPITAL

2016 Annual General Meeting

Notice of the annual general meeting of the Shareholders of Yatra Capital Limited is included with this document.

You are requested to provide a Written Confirmation and, if necessary, a delegate proxy form in accordance with the instructions printed herein.

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Part I

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to be taken you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

28 July 2016

Dear Shareholder

Introduction

I am writing on behalf of the Board to provide notice of the forthcoming Annual General Meeting of Yatra Capital Limited (the "**Company**") to be held on 14 September 2016 at 11.00 am (**BST**) at the registered office of the Company, First Floor, Le Masurier House, La Rue Le Masurier, St Helier, Jersey JE2 4YE (the "**AGM**").

Changes to Board Remuneration, Re-Election of Directors and Appointment of New Director

Your Board of Directors is mindful of the progressive reduction in the net asset value of the Company by way of realisations and returns of capital and is keen to continue to see the Company's expense base reduce concurrently. As a result, board remuneration will be reduced by further 10% with effect from 1 October 2016 and further related cost reduction steps will also be implemented.

Each Director of the Company will offer himself for re-election at the AGM. Due to regulatory restrictions, if any Director is not re-elected, he will only cease to be a Director once the consent of the Jersey Financial Services Commission has been obtained (and this consent will only be sought in the event that the relevant Director is not re-elected). Any such Director will not take part in the management of the Company pending receipt of such regulatory consent (save as may be required to preserve and protect the Company's assets and interests or as may be required to comply with applicable regulation or legal obligation).

As announced on July 11, 2016, the Board has also resolved to appoint (subject to the consent of the Jersey Financial Services Commission) Mr Ramesh Bawa as a Director in place of Mr Shahzaad Dalal (who will step down upon such appointment becoming effective and consent to his retirement being received from the Jersey Financial Services Commission).

Re-appointment of Auditors

Pursuant to a resolution passed at the Company's Annual General Meeting held on 15 September 2015, KPMG Channel Islands Limited was appointed by the Board as auditor to the Company. KPMG Channel Islands Limited will offer itself for re-appointment at the AGM to hold office until the conclusion of the next annual general meeting of the Company.

Amendments to Articles of Association – Return of Capital

As you will be aware, the Company has in recent years instituted a programme of returning capital to investors through a series of share redemption offers. It is now proposed that the Company amend its articles of association (the "**Articles**") in order to implement an improved ability to return capital to investors by way of compulsory redemption. The Company wishes to implement this change, as the concentrated nature of the Company's portfolio of underlying assets and the valuation risks to which they are subject has prevented the directors from determining an appropriate tender price for the Company's shares which is demonstrably in the best interests of the Company.

Currently, Article 12.01 of the Articles permits the Company to compulsorily redeem all (but not some) of the ordinary shares of any class in issue subject to the passing of a Special Resolution by that class and the giving of between four and six weeks' notice.

It is now proposed that a new Article 12.01A be introduced so as to permit the Board to return capital at its discretion through the compulsory redemption of a specified proportion of the ordinary shares of the relevant class held by each investor at a specified price per share. This would mean that any capital returned would be split between investors pro-rata to their shareholding and each investor would have a proportionate amount of their shares redeemed (thus ensuring that no shareholder is diluted in the process and all shareholders are treated equally).

As the changes set out above require not only a change to the Articles but an amendment to the class rights of Real Estate Shares, they must be approved by a Special Resolution of the Company and an Extraordinary Resolution of Real Estate Shareholders. As Real Estate Shares are the only class of ordinary share in issue (and the only class of share with the ability to vote at the AGM), a single resolution is proposed which will only be deemed to be passed if the higher majority requirement (being 75% of the holders of Real Estate Shares present at the meeting in person or by proxy) is satisfied.

In the event that the resolution is passed, the Company intends to use this mechanism for all future returns of the Company until the Company is liquidated. In the event that the resolution is not passed, the Company will continue to use the mechanism applied previously to return capital to shareholders and will make a further announcement in due course.

Revised Investment Management Arrangements

Pursuant an investment management agreement between K2 Property Limited ("**K2**") and IL&FS Investment Advisers LLC ("**IIAL**") dated 6 May 2013 (the "**Investment Management Agreement**") IIAL manages the investments of the Company made through K2. Pursuant to resolutions passed at an extraordinary general meeting of the Company held on 19 June 2013 certain amendments to the Investment Management agreement were approved, including to provide that:

- IIAL would continue to manage the A Share portfolio of K2 until a new wind up date of 30 September 2016; and
- IIAL would continue to manage the B Share portfolio of K2 until a new wind up date of 30 September 2016.

It is now proposed that the term of the Investment Management Agreement be extended until a longstop date of 31 December 2018 and consequently the Investment Management Agreement be amended accordingly. It is important to note that this does not affect the Board's commitment to its existing policy of realising assets and returning capital to investors. The primary purpose of the proposed extension is to ensure that value can be achieved for investors through the realisation of assets in an orderly fashion without imposing undue time pressure, which could limit the Company's negotiating ability.

For the extended time period of the Investment Management Agreement the investment manager fees will be reduced from 1.25 % of "Net Capital Commitments"¹ to 1.00% with no changes being proposed to the existing incentive fee arrangements payable under the Investment Management Agreement (terms are as defined in the Investment Management Agreement).

¹ defined as the aggregate of all investments held by K2, assessed at the original book cost of such investments, provided that (i) where an investment has been written off in K2's accounts (or written down in K2's accounts to a nominal sum) it shall be treated as if it is no longer held by K2 for the purpose of calculating Net Capital Commitments, and (ii) where an investment has been partially disposed of or realised by K2, the original book cost of such investment shall be treated as being reduced to reflect the proportion of the investment disposed of or realised (whether through a sale of shares or assets).

The Investment Management Agreement will expire on the earlier of: (i) the dissolution of K2; or (ii) 31 December 2018.

In the event the resolution is not passed, the directors will consider the most appropriate manner by which the Company will pursue its remaining activities, and will return to shareholders with fresh proposals in due course.

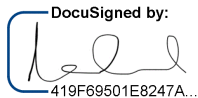
Important Considerations

You are reminded of the need to obtain advice from your financial adviser if you are in any doubt about the action you should take in relation to this Circular. In view of the voting requirements it is important that you exercise your voting rights by providing a Written Confirmation (as described on page 9 and, if necessary, completing a delegate proxy form (as set out on pages 10 and 11) and returning it to the address specified therein.

Recommendation

The Board believes that the Proposals are in the best interests of the Company and the Shareholders as a whole. The Board therefore recommends approval of the Proposals and that you vote in favour of each of the resolutions to be proposed at the AGM other than the proposals to re-elect the directors, upon which it is not appropriate to make a recommendation.

Yours faithfully

DocuSigned by:

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Chairman
For and on behalf of
Yatra Capital Limited

EXPECTED TIMETABLE

Event	Date
Latest time and date for receipt of Forms of Proxy for the Annual General Meeting	11.00 am (BST) on 12 September 2016
Annual General Meeting	11.00 am (BST) on 14 September 2016

Part II

NOTICE OF ANNUAL GENERAL MEETING

YATRA CAPITAL

Yatra Capital Limited (Jersey company number 93576) (the “Company”) hereby gives notice of its forthcoming Annual General Meeting to be held on **14 September 2016 at 11.00 am (BST)** at the registered office of the Company, **First Floor, Le Masurier House, La Rue Le Masurier, St Helier, Jersey JE2 4YE.**

The purpose of the Annual General Meeting shall be to consider and, if thought fit, pass the following resolutions:

Ordinary Resolutions

1. THAT the report of the Board of Directors and the audited financial statements of the Company for the financial year ended 31st March 2016 be and is approved.
2. THAT the re-election of Ramesh Bawa as Director of the Company be and is approved.
3. THAT the re-election of Richard Boleat as Director of the Company be and is approved.
4. THAT the re-election of Christopher Wright as Director of the Company be and is approved.
5. THAT the re-election of Malcolm King as Director of the Company be and is approved.
6. THAT the re-election of David Hunter as Director of the Company be and is approved.
7. THAT the re-election of George Baird as Director of the Company be and is approved.
8. THAT the re-appointment of KPMG Channel Islands Limited as auditors to the Company to hold office until the conclusion of the next annual general meeting of the Company be and is approved and that the Directors of the Company be authorised to fix the remuneration of such auditors.
9. THAT the amendment of the revised investment management agreement between K2 Property Limited and IL&FS Investment Advisers LLC to reflect the revised terms contemplated in the Circular dated 28 July 2016 convening the Annual General Meeting of the Company be and is hereby approved.

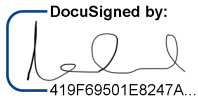
Special Resolution (and Extraordinary Resolution of Real Estate Shareholders)

10. That the Company's Articles of Association (and the class rights attaching to Real Estate Shares) be amended by the addition of a new Article 12.01A as follows:

"12.01A The Directors may, by not less than four nor more than six weeks' notice to all holders of Ordinary Shares of a Class, redeem at the price determined by the Directors payable per such Ordinary Share on such day, some (but not all) of the Ordinary Shares of that Class PROVIDED THAT any such redemption shall be effected on a pro-rata basis amongst the holders of Ordinary Shares of that Class such that each such holder maintains (insofar as is practical having regard to any requirement to round any redemption to the nearest share) the same percentage holding of Ordinary Shares of that Class both before and after that redemption. Any Ordinary Shares redeemed pursuant to this Article shall be cancelled immediately upon payment of the relevant redemption price."

As at the date of this Notice, the Company has 4,875,654 shares issued and outstanding and 4,875,654 voting rights.

**BY ORDER OF THE BOARD OF
YATRA CAPITAL LIMITED**

DocuSigned by:

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YATRA CAPITAL

Attendance instructions

All ordinary shares of the Company are registered in the name of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., the Dutch central institute for giro transferred securities. Accordingly, if you wish to attend the meeting or wish to exercise voting rights, you are requested to contact your bank or broker, and request that they send a confirmation on your behalf (specifying your name(s), the number of ordinary shares in the Company which you are interested in and the fact that you wish to attend and vote at the meeting) to ABN AMRO Bank N.V. ("ABN AMRO"). at Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands (FAO Corporate Broking) or by e-mail to corporate.broking@nl.abnamro.com with "Yatra Capital Limited – FAO Corporate Broking" as the subject (the "Written Confirmation").

If you do not have a bank or broker, you may contact ABN AMRO direct in the same manner. The Written Confirmation should be received by ABN AMRO no later than 11.00 am (BST) on 12 September 2016. The registered shareholder will then appoint you as its proxy in respect of the shares in the Company in which you have an interest, thus permitting you to attend and vote at the meeting.

If you are not able or do not wish to attend the meeting, you may appoint a delegate proxy (if you wish) using the enclosed form, which should be send to ABN AMRO so as to arrive no later than 11.00 am (BST) on 12 September 2016.

THE ATTACHED FORM WILL ONLY BE VALID IF ABN AMRO HAS RECEIVED A WRITTEN CONFIRMATION FROM YOUR BANK, YOUR BROKER OR YOU.

E-VOTING

In addition to the above, you can give voting instructions to the Chairman of the Meeting via www.abnamro.com/evoting. In order to do so, it is important that your broker confirms the number of ordinary shares in the Company which you are interested in to ABN AMRO.

If you give voting instructions via E-Voting, you do not need to (and should not) complete the enclosed delegate proxy form.

DELEGATE PROXY FORM - ANNUAL GENERAL MEETING

for use at the Annual General Meeting of Shareholders to be held at the offices of Citco Jersey Limited, First Floor, Le Masurier House, La Rue Le Masurier, St Helier, Jersey JE2 4YE on 14 September 2016 at 11.00 am (BST)

I/We _____

of _____

being a Participant(s) in respect of a Joint Deposit of _____ ordinary shares in the Company, hereby appoint _____

of _____ or

failing him, the Chairman of the Meeting as my/our delegate proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 14 September 2016 at 11.00 am BST and at any adjournment thereof.

Further, I/we declare that I/we have requested my/our bank or broker to send (or I/we have sent) a confirmation to ABN AMRO Bank N.V. ("ABN AMRO") such that it arrives at or before 11.00 am BST on 12 September 2016. This confirmation shall on the basis of the articles of association of the Company constitute an instruction appointing a proxy from the relevant registered shareholder confirming that the number of ordinary Shares mentioned in such written declaration form part of a joint deposit (*verzameldepot*) within the meaning of the Dutch Securities Giro Act and that I/we, as the person mentioned in the declaration, am/are a participant for the mentioned ordinary Shares in the joint deposit and that I/we shall be entitled to exercise voting rights as a proxy in respect of such ordinary Shares at the relevant general meeting provided further that I/we shall be entitled to delegate my/our proxy to a third party. I/we hereby deliver such form of proxy to the person mentioned above.

Signed this _____ day of _____ 2016

Participant

Unless otherwise instructed using the matrix on the following page, the delegate proxy will vote or abstain from voting as he thinks fit on the resolutions contained in the AGM notice and on any other matter that may be brought before the meeting. Completing and returning this form of delegate proxy will not prevent you from attending in person at the meeting and voting (in such delegate proxy's place) should you so wish.

This delegate proxy must be sent to ABN AMRO Bank N.V., Gustav Mahlerlaan 10 (HQ7050), 1082 PP Amsterdam, The Netherlands (FAO Corporate Broking) or by e-mail to corporate.broking@nl.abnamro.com with "Yatra Capital Limited – FAO Corporate Broking" as the subject so as to arrive at or before 11.00 am (BST) on 12 September 2016. Do not complete this form if you intend to give instructions using E-Voting.

Item	Resolution	Vote		
		For	Against	Abstain
1	THAT the report of the Board of Directors and the audited financial statements of the Company for the financial year ended 31st March 2016 be and is approved.			
2	THAT the re-election of Ramesh Bawa as Director of the Company be and is approved.			
3	THAT the re-election of Richard Boleat as Director of the Company be and is approved.			
4	THAT the re-election of Christopher Wright as Director of the Company be and is approved.			
5	THAT the re-election of Malcolm King as Director of the Company be and is approved.			
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7	THAT the re-election of George Baird as Director of the Company be and is approved.			
8	THAT the re-appointment of KPMG Channel Islands Limited as auditors to the Company to hold office until the conclusion of the next annual general meeting of the Company be and is approved and that the Directors of the Company be authorised to fix the remuneration of such auditors.			
9	THAT the amendment of the revised investment management agreement between K2 Property Limited and IL&FS Investment Advisers LLC to reflect the revised terms contemplated in the Circular dated 28 July 2016 convening the Annual General Meeting of the Company be and is hereby approved.			
10	That the Company's Articles of Association (and the class rights attaching to Real Estate Shares) be amended by the addition of a new Article 12.01A as follows: "12.01A The Directors may, by not less than four nor more than six weeks' notice to all holders of Ordinary Shares of a Class, redeem at the price determined by the Directors payable per such Ordinary Share on such day, some (but not all) of the Ordinary Shares of that Class PROVIDED THAT any such redemption shall be effected on a pro-rata basis amongst the holders of Ordinary Shares of that Class such that each such holder maintains (insofar as is practical having regard to any			

	requirement to round any redemption to the nearest share) the same percentage holding of Ordinary Shares of that Class both before and after that redemption. Any Ordinary Shares redeemed pursuant to this Article shall be cancelled immediately upon payment of the relevant redemption price."			
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