

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

2012 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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17 September 2012

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 31 October 2012 at 2pm at the registered office of the Company, 43/45 La Motte Street, St Helier, Jersey JE4 8SD (the "**AGM**").

Your Board has been examining a number of aspects of the Company over the past few months and has been working with the Company's advisers to review and, in some case, restructure certain areas. This has included, inter alia, the corporate structure, investment management arrangements, discount to net asset value, share buy-back and corporate governance generally. We have made considerable progress in a number of these areas but have not yet resolved upon a way forward. As a result we are proposing to put before Shareholders at the AGM those matters we can but we expect to call a further Shareholder meeting in order to address those, as yet, unresolved matters.

In addition to ordinary resolutions relating to the approval of accounts, reappointment of auditors and the re-election of the directors, a special resolution will be proposed at the AGM which will approve the renewal of the Company's authority to buy-back Ordinary Shares ("**Shares**") but in an enhanced format and, notably, an extraordinary resolution (and class consent) will be proposed which will amend the Articles of Association of the Company (the "**Articles**") so as to allow the Board to return capital efficiently to Shareholders (the "**Proposals**"). Further information on these matters is given below and the enclosed Notice starting on page 7 of this Circular contains full details of these resolutions.

Re-Election of Directors

While there is no obligation in either Jersey law or the Company's articles for the Directors to offer themselves for re-election, the Board believes that periodically seeking re-election is good corporate governance. It had previously been indicated that Shareholders would be offered the opportunity to vote on the re-appointment of all Directors, both independent and non-independent, at this year's AGM.

Accordingly, each Director of the Company offers 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).

It is the Board's intention commencing from the 2013 annual general meeting that one-third of the Directors will put themselves forward for re-election each year. However, any Director who has served on the Board for over nine years or who is considered to be non-independent (e.g. because the Director is employed by the Company's investment manager) will continue to stand for annual re-election.

Renewal of Share Buy-Back Programme

As a Company listed on the Euronext Amsterdam Stock Exchange, the Company has been constrained in the number of Shares which it can buy back and the price at which those Shares can be bought back. These price and volume restrictions have been a source of great frustration to the Board as they have severely impacted our efforts to engage in Share buy-backs. The Board has sought advice as to what options are open to the Company in order to enable buy-backs to be operated in a way that is more in the interests of Shareholders as a whole.

If Shareholders approve the renewal of the buy-back authority at the AGM the Board intends to undertake Share buy-backs in a manner more consistent with the process that would apply if the Company was listed on the London Stock Exchange. Specifically, in future the only limit as to the number of Shares which may be bought back would be 14.99% of the Shares in issue when the buy-back authority is approved by Shareholders; and the maximum price which the Company could pay would be 105% of the average closing price of the 5 trading days prior to any purchase rather than 85% of the most recently published net asset value per Share. It is the Board's intention to continue to delegate the management of Share buy-backs to the Company's broker so that the pre-agreed programme for buy-backs can continue to be operated when the Company is in a close period.

The approval given by Shareholders to the implementation of Share buy-backs at last year's Annual General Meeting expires on the date of the AGM. A fresh special resolution (requiring a two-thirds majority of votes cast) is required and proposed to continue the authority on the revised terms set out above.

Any Shares repurchased by the Company may be held in treasury until the Directors determine that they should be sold or cancelled. The Board anticipates that Shares held in treasury may only be sold at a price equal to the Company's net asset value per Share at the time of the sale.

Return of Capital

The Chairman stated in the 2012 Annual Report that the Company intended to return c€7.5m to Shareholders in the fourth quarter of this year. This amount represents cash held by the Company in excess of its anticipated needs and/or received in respect of its investment in K2 Property Limited. The Board anticipates making further returns of capital to Shareholders in future years as the Company's investments are realised and/or from the revenues generated from completed developments.

The precise timing and nature of these future distributions cannot be predicted or guaranteed but the Board is optimistic that it might be able to make distributions on an annual basis.

After exploring a number of options with its advisers, and considering inter alia the tax consequences for the Company and Shareholders, the Board believes the most appropriate mechanism for making the distribution is by permitting Shareholders to request the redemption of some or all of their Shares. Accordingly, if Shareholders approve the extraordinary resolution (and class consent) proposed at the AGM (the "**Extraordinary Resolution**"), the Articles will be amended so as give holders of Shares the ability to have their Shares redeemed in certain circumstances.

In summary, should the Extraordinary Resolution be passed, the Directors will have the power from time to time to make redemption offers to all holders of Shares. Each such offer will be communicated in writing and will set out the number of Shares to which it relates (calculated such that each of the Shareholders receives an offer pro-rata to the proportion of issued Shares that they hold) and the proposed redemption price per Share.

Each holder of Shares may then accept the redemption offer in whole or in part. Further, if any person wishes to redeem additional Shares, this may be requested and the Directors will then allocate any

unaccepted redemption offers amongst such Shareholders. The relevant redemption price will then be paid in respect of all redeemed Shares and those Shares shall be cancelled.

If Shareholders approve the Extraordinary Resolution, the Board anticipates announcing the terms of the first redemption opportunity in relation to the return of c.€7.5m to Shareholders by 31st October 2012, with the first redemption process being completed and funds distributed by 12th December 2012. Details of the proposed redemption process (in the form of the full text of the proposed additions to the Articles) are set out in the attached Notice.

Update – Investment Advisor

Discussions with the Company's investment advisor, IL&FS Investment Advisors Limited ("IIAL") concerning a closer alignment of IIAL's interests with those of the Company have been taking place for a considerable period of time. A significant number of Shareholders have raised concerns with me about the progress of the Company in effectively pursuing its strategy as stated at the time of the issuance of the Company's public prospectuses, notwithstanding the difficult trading environment, and any further complications that could arise in a less benign fiscal environment for foreign direct investment in India. Accordingly, some time ago, the Board established a committee comprised of three independent directors, including myself, to investigate the full range of options open to the Company in order to seek to improve and optimise the Company's future activities. The range of possible actions is broad, and has the potential to involve a change to the Company's structure for investment into India, together with a consequential change in the manner in which investment advisory services are delivered. These analyses are complex and interconnected, and the consequences of any such steps may entail material quantitative and qualitative risks for the Company. The committee, and all of the independent directors, are determined that meaningful and viable options be presented to Shareholders for determination, and that such options are fully analysed, with the assistance of the Company's advisors, from both a commercial and a risk perspective. That process of analysis continues. I had hoped that I would be able to place these matters before you at this AGM, but it will now be necessary to bring these matters before you at a later date. It is currently intended to call a further meeting of Shareholders to consider this subject in the appropriate manner on or before 23rd November 2012.

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 10) and, if necessary, completing a delegate proxy form (as set out on pages 11 to 14) 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.

Yours faithfully



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	2pm (GMT) on 29 October 2012
Annual General Meeting	2pm (GMT) on 31 October 2012

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 **31 October 2012 at 2pm (GMT)** at the registered office of the Company, **43/45 La Motte Street, St Helier, Jersey JE4 8SD.**

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 2012 be and is approved.
2. THAT the re-appointment of PricewaterhouseCoopers Jersey 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 authorized to fix the remuneration of such auditors.
3. THAT the re-election of Shahzaad Dalal as Director of the Company be and is approved.
4. THAT the re-election of Richard Boleat as Director of the Company be and is approved.
5. THAT the re-election of Christopher Wright as Director of the Company be and is approved.
6. THAT the re-election of Malcolm King as Director of the Company be and is approved.
7. THAT the re-election of David Hunter as Director of the Company be and is approved.
8. THAT the re-election of George Baird as Director of the Company be and is approved.

Special Resolutions

9. THAT the Company be generally and unconditionally authorised to make purchases of Ordinary Shares (subject to a limit of 14.99% of the Ordinary Shares in issue as at the date hereof being repurchased) on such terms as the Directors think fit, provided that:
 - a) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is €0.01;
 - b) the maximum price, exclusive of any expenses, which may be paid for an Ordinary Share is an amount equal to 105% of the average closing price of the last 5 market days at the time of acquisition, subject to applicable laws and regulations; and

- c) the authority hereby conferred shall expire, unless previously revoked or varied, at the conclusion of the next annual general meeting of the Company or, if earlier, the date on which the maximum number of Ordinary Shares specified above have been repurchased (except in relation to the purchase of Ordinary Shares, the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry).
10. THAT the Directors be authorised to hold any Shares repurchased pursuant to Resolution 9 above in treasury until such time as they determine (in their discretion) that such shares be sold or cancelled.

Extraordinary Resolution (and Class Consent of Ordinary Shareholders)

11. That the Company's Articles of Association (and the class rights attaching to the Ordinary Shares) be amended by the addition of the following new Articles 13.03-13.06:

"13.03 The Directors may from time to time offer holders of Ordinary Shares the opportunity to redeem some (but not all) of their shares by way of an offer in writing (a "Redemption Offer"). Each Redemption Offer shall be sent to each holder of Ordinary Shares and shall state:

- (a) the total number of Ordinary Shares to which the Redemption Offer relates (the "Redemption Limit");
- (b) the redemption price per Ordinary Share offered pursuant to the Redemption Offer (the "Redemption Price");
- (c) the number of Ordinary Shares which that holder of Ordinary Shares may redeem (the "Redemption Shares")(calculated by dividing the total number of Ordinary Shares to which the Redemption Offer relates by the total number of Ordinary Shares in issue as at the date of the Redemption Offer and multiplying the result by the number of Ordinary Shares held by such person as at the date of the Redemption Offer (rounding down to the nearest whole number)); and
- (d) the date by which a response to the Redemption Offer must be received by the Company (the "Response Date").

Each Redemption Offer shall also include a form of response (the "Response Form") whereby a holder of Ordinary Shares may indicate whether it wishes to accept or decline the Redemption Offer (in whole or in part) and whether such person would wish to redeem a specified number of additional Ordinary Shares in the event that not all Redemption Offers are accepted in full (the "Additional Redemption Shares"). A Response Form may be completed and returned to the Company either manually or electronically.

- 13.04 Any holder of Ordinary Shares who wishes to accept a Redemption Offer (in whole or part) shall complete the Response Form and return it to the Company by the Response Date. Any holder of Ordinary Shares who does not return a Response Form to the Company by the Response Date will be deemed to have declined the Redemption Offer, provided that the Directors shall have absolute discretion as to whether any late, incomplete or otherwise erroneous Response Forms should be accepted.
- 13.05 Within 14 days of the Response Date, the Directors shall (subject to the requirements of the Law) redeem the Redemption Shares (or the relevant proportion thereof) of each holder who has accepted the Redemption Offer at the Redemption Price. Where not all Redemption Offers have been accepted and at least one holder of Ordinary Shares has indicated in their Response Form that they would wish to redeem Additional Redemption Shares, the Directors may also redeem (on a pro-rata basis) such Additional Redemption Shares until the Redemption Limit is reached.
- 13.06 Any Ordinary Shares redeemed pursuant to a Redemption Offer shall be cancelled immediately upon payment of the relevant Redemption Price."

As at the date of this Notice, the Company has 21,428,581 shares issued and outstanding and 21,428,571 voting rights.

BY ORDER OF THE BOARD OF
YATRA CAPITAL LIMITED



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 3:00pm Central European Time on 29 October 2012. 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 sent to ABN AMRO so as to arrive no later than 3:00pm Central European Time on 29 October 2012.

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 Minerva Fund Administration Limited, PO Box 218, 43/45 La Motte Street, St Helier, Jersey JE4 8SD on 31 October 2012 at 2pm (GMT)

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 29 October 2012 at 2pm 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 3pm CET on 29 October 2012. 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 _____ 2012

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 3:00pm (CET) on 29 October 2012. 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 2012 be and is approved.			
2	THAT the re-appointment of PricewaterhouseCoopers, Jersey 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 authorized to fix the remuneration of such auditors.			
3	THAT the re-election of Shahzaad Dalal as Director of the Company be and is approved.			
4	THAT the re-election of Richard Boleat as Director of the Company be and is approved.			
5	THAT the re-election of Christopher Wright as Director of the Company be and is approved.			
6	THAT the re-election of Malcolm King as Director of the Company be and is approved.			
7	THAT the re-election of David Hunter as Director of the Company be and is approved.			
8	THAT the re-election of George Baird as Director of the Company be and is approved.			
9	<p>THAT the Company be generally and unconditionally authorised to make purchases of Ordinary Shares (subject to a limit of 14.99% of the Ordinary Shares in issue as at the date hereof being repurchased) on such terms as the Directors think fit, provided that:</p> <p>a) the minimum price, exclusive of any expenses, which may be paid for an Ordinary Share is €0.01;</p> <p>b) the maximum price, exclusive of any expenses, which may be paid for an Ordinary Share is an amount</p>			

	<p>equal to 105% of the average closing price of the last 5 market days at the time of acquisition, subject to applicable laws and regulations; and</p> <p>c) the authority hereby conferred shall expire, unless previously revoked or varied, at the conclusion of the next annual general meeting of the Company or, if earlier, the date on which the maximum number of Ordinary Shares specified above have been repurchased (except in relation to the purchase of Ordinary Shares, the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry).</p>			
10	<p>THAT the Directors be authorised to hold any Ordinary Shares repurchased pursuant to Resolution 9 above in treasury until such time as they determine (in their discretion) that such shares be sold or cancelled.</p>			
11	<p>THAT the Company's Articles of Association (and the class rights attaching to the Ordinary Shares) be amended by the addition of the following new Articles 13.03-13.06:</p> <p>"13.03 The Directors may from time to time offer holders of Ordinary Shares the opportunity to redeem some (but not all) of their shares by way of an offer in writing (a "Redemption Offer"). Each Redemption Offer shall be sent to each holder of Ordinary Shares and shall state:</p> <p>(a) the total number of Ordinary Shares to which the Redemption Offer relates (the "Redemption Limit");</p> <p>(b) the redemption price per Ordinary Share offered pursuant to the Redemption Offer (the "Redemption Price");</p> <p>(c) the number of Ordinary Shares which that holder of Ordinary Shares may redeem (the "Redemption Shares")(calculated by dividing the total number of Ordinary Shares to which the Redemption Offer relates by the total number of Ordinary Shares in issue as at the date of the Redemption Offer and multiplying the result by the number of Ordinary Shares held by such person as at the date of the Redemption Offer (rounding down to the nearest whole number)); and</p>			

(d) the date by which a response to the Redemption Offer must be received by the Company (the "Response Date").

Each Redemption Offer shall also include a form of response (the "Response Form") whereby a holder of Ordinary Shares may indicate whether it wishes to accept or decline the Redemption Offer (in whole or in part) and whether such person would wish to redeem a specified number of additional Ordinary Shares in the event that not all Redemption Offers are accepted in full (the "Additional Redemption Shares"). A Response Form may be completed and returned to the Company either manually or electronically.

13.04 Any holder of Ordinary Shares who wishes to accept a Redemption Offer (in whole or part) shall complete the Response Form and return it to the Company by the Response Date. Any holder of Ordinary Shares who does not return a Response Form to the Company by the Response Date will be deemed to have declined the Redemption Offer, provided that the Directors shall have absolute discretion as to whether any late, incomplete or otherwise erroneous Response Forms should be accepted.

13.05 Within 14 days of the Response Date, the Directors shall (subject to the requirements of the Law) redeem the Redemption Shares (or the relevant proportion thereof) of each holder who has accepted the Redemption Offer at the Redemption Price. Where not all Redemption Offers have been accepted and at least one holder of Ordinary Shares has indicated in their Response Form that they would wish to redeem Additional Redemption Shares, the Directors may also redeem (on a pro-rata basis) such Additional Redemption Shares until the Redemption Limit is reached.

13.06 Any Ordinary Shares redeemed pursuant to a Redemption Offer shall be cancelled immediately upon payment of the relevant Redemption Price."