

REPORT ON CORPORATE GOVERNANCE

The objective of the Corporate Governance is “Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders” and your company reiterates its commitment to good Corporate Governance.

COMPANY’S PHILOSOPHY

Corporate Governance is a set of the system and practices for the ethical conduct. It ensures accountability, transparency and commitment to values.

The Company’s philosophy of Corporate Governance is aimed at assisting the management of the company in the efficient conduct of its business and meeting its obligations to stakeholders.

In Capital Trade Links Limited we believe in the adoption of most relevant and practical practices for good Corporate Governance in its totality to boost up the image of the Company by adhering to be fair to all the Shareholders and achieve corporate goals and sustained enhancement of values for all stake. Transparency in day- to-day affairs, full disclosure, independence, long-term approach, growth in absolute terms and social welfare had been the essence of the management of the Company.

BOARD COMPOSITION AND PARTICULARS OF DIRECTORS

1. Composition and Size of the Board:

Appreciating the fact that the composition of the Board is the key to corporate governance, eminent persons with business and professional experience, qualifications and expertise in finance, accounts, laws etc. constitute the Board, thus combining to impart values and provide directions for development of the Company.

The Board meets at least once in a quarter to consider, inter-alia, the yearly/half yearly/quarterly financial results. Your Company ensures that the gap between two consecutive meetings is not more than four months keeping in view the requirement of the listing agreement.

Statutory Auditors and senior officers of the Company are invited from time to time to attend the Board/Committee Meetings, to make presentations/provide clarifications etc. The Members of the Board exercise due diligence in performance of their functions and follows high degree of business ethics, transparent practices and good governance, amidst affable environment.

During the Year under review 12 Board Meetings were held on 5th April, 2012, 30th April, 2012, 15th May, 2012, 05th June, 2012, 30th July, 2012, 3rd September, 2012, 5th October, 2012, 18th October, 2012, 30th October, 2012, 14th February, 2013, 4th March, 2013 and 30th March, 2013.

The present strength of Board consists of 6 (Six) Directors of which 50% are Independent directors. None of the Directors on the Board of your Company are Director in any other public limited Company. Also none are Members of more than ten Committees or Chairman of more than five Committees across all the Public Companies in which they are Directors. The Non-Executive Directors of the Company are liable to retire by rotation and one third of the said Directors retire every year at the Annual General Meeting of the Company and if eligible, offer themselves for re-appointment. The details of present Board is as follows:

Name of the Director	Designation	Category	Attendance at last AGM	Attendance at Board Meetings TOTAL: 12
Harish C. Agrawal	Chairman	NED	Y	12
Suresh C. Agrawal	Director	NED	Y	12
G.L. Mangal*	Director	NED, ID	NA	NA
Umesh Agrawal	Director	NED, ID	N	5
Rashmi Agrawal	Director	NED	Y	12
Amar Nath*	Director	NED, ID	NA	NA
Suresh Agarwal#	Director	NED, ID	N	5

* Appointed with effect from 2nd August 2013

ceased to be a director with effect from 2nd August 2013

The Independent Non-Executive Directors do not have any pecuniary relationship or transactions with the Company, its promoters, management or its subsidiaries, which in the judgement of the Board may affect independence of the Directors.

2. Committee Of Directors:

(A) AUDIT COMMITTEE

The audit committee constituted as per clause 49 of the listing agreement. The audit committee reviews:

- The audit procedure and techniques
- With the management external and internal procedures
- The adequacy of internal control system.
- Company's financial reporting processes and ensures that the financial statements give a true and fair view of the affairs of the company.

It provides assistance to the Board of Directors in fulfilling the Board's oversight responsibilities.

Composition And Meetings Of Audit Committee:

As per the provisions of clause 49 of listing agreement, the audit committee met five times during the year 2012-13 on 30th April, 2012, 30th July, 2012, 3rd September, 2012, 30th October, 2012 and 14th February, 2013.

The Composition of audit committee for the year 2012-2013 is as follows:

Name of the Director	Designation	Category	No. of Meetings Attended
Umesh Aggrawal	Chairman	Non –Executive & Independent	5
Suresh Agrawal	Director	Non –Executive & Independent	5
Rashmi Agrawal	Director	Non –Executive Director	5

Role And Responsibilities

The role of Audit Committee includes the review of following:

1. Financial Reporting Process
2. Draft Financial Results (Quarterly & Annual)
3. Record of related party transaction
4. Reviewing the company's financial and risk management policies
5. Management discussion and analysis of financial condition and results of operations
6. Compliance with stock exchanges and legal requirement concerning financial statements
7. Any other power which are specifically delegated by the board from time to time

The role of the Audit Committee includes recommending the appointment and removal of Statutory Auditor, discussion of Audit plan, fixation of Audit fees and also approval for payment of any other services.

B) REMUNERATION COMMITTEE

The Company has not formed any such Committee in view of no agenda pertaining to the same being brought before the Board of Directors of the Company.

C) SHAREHOLDER'S/ INVESTOR'S GRIEVANCE COMMITTEE:

The shareholders'/Investors' Grievance committee of the Board has been constituted to look into complaints like transfer of shares, non-receipt of dividend etc. The committee's composition and attendance of members were as follows:

Name of the Director	Category	No. of Meetings held	No. of Meetings Attended
Mr Suresh C. Agrawal	Non Executive Director (Chairman)	4	4
Mr Harish C. Agrawal	Non- Executive Director	4	4
Mr. Suresh Agrawal	Independent Non- Executive Director	4	4

Role And Responsibilities

The role of Shareholders/ Investors Grievances Committee includes the review of following:

1. To monitor the process of expeditious transfer of shares or debentures.
2. To monitor and review the shareholders complaints related to transfer of shares, non-receipt of Balance Sheet, non- receipt of declared dividend etc.
3. To monitor and review from time to time the systems/ procedures relating to processing of transfer of shares, dematerialization/ re-materialization of share certificates, re-issued of share certificates against split, cancellation, consolidation and lost share certificates etc.
4. To investigate any activity and seek information from any employee of the company, in discharging its duties.
5. To obtain outside legal or professional services, if consider necessary.
6. To fix the record date for the purposes as required under the Companies act and/or listing agreement.
7. To consider and approve issue of duplicate share certificate in lieu of those reported lost, misplaced, torn, mutilated etc.
8. Any other powers which are specifically delegated by the board from time to time.

GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings:

AGM for the financial Year	Date	Time	Venue for the AGM
2009-10	29.09.2010	02.30 p.m.	101-102, Rohit House 3, Tolstoy Marg, Connaught Place, New Delhi-110001
2010-11	30.09.2011	03.00 p.m.	101-102, Rohit House 3, Tolstoy Marg, Connaught Place, New Delhi-110001
2011-12	27.09.2012	4.00 p.m.	101-102, Rohit House 3, Tolstoy Marg, Connaught Place, New Delhi-110001

No special resolution was passed at the AGM during the year under report.

None of the Resolution proposed at the Annual General Meeting held was required to be passed through postal ballot Mechanism.

DISCLOSURES

The Company has not entered any transaction with the Directors and / or their relatives during the year under review that may have conflict with the interest of the Company at large.

LEGAL COMPLIANCE

The requirements of the Listing Agreements with the Stock Exchanges as well as regulations and guidelines of SEBI are being followed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report form part of this Annual Report.

BRIEF HISTORY OF THE COMPANY

Capital Trade Links Limited was incorporated, on 19.12.1984 as a Public Limited Company under the Provisions of the Companies Act, 1956 (hereinafter referred to as the Act). The company is presently listed on The Delhi Stock Exchange Association Limited, New Delhi.

CORPORATE IDENTITY NUMBER (CIN)

CIN of the company, allotted by the Ministry of Corporate Affairs, Government of India is: **L51909DL1984PLC019622.**

NBFC REGISTRATION

The company is a NBFC Company and is having the NBFC registration certificate from the Reserve Bank of India, and is complying with the formalities, which are required to be completed in this respect.

DISCUSSION ON FINANCIAL PERFORMANCE

The financial statements are prepared in compliance with the requirement of the Companies Act and the Accounting Standards prescribed by the Institute of Chartered Accountants of India and generally accepted accounting principles in India.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

Date and Time:	30 th August 2013 at 11:30 AM
Venue:	Registered office: 101-102, 1st Floor, Rohit House, 3, Tolstoy Marg, Connaught Place, New Delhi – 110001
Financial Calendar	2013-2014 First Quarter Results Last Week of July, 2013 Second Quarter Results Last Week of October, 2013 Third Quarter Results Last Week of January, 2014 Fourth Quarter Results Last Week of April, 2014
Date of Book Closure:	26 th August, 2013 to 30 th August, 2013 (both days inclusive)
Dividend payment date:	No dividend is being recommended
Listing on stock exchanges:	The Delhi Stock Exchange Association Ltd.
The Company has paid listing fees as applicable to the stock exchanges:	Paid

The ISIN Number of the Company (or demat number) on CDSL is INE 172 DO1013. All the Shares as on 31.03.2013 were held in physical form.

MARKET PRICE DATA

Monthly high / low during the year 2012-13 on the Stock Exchange, Delhi.

Month	High (Rs.)	Low (Rs.)
April 2012	No Trading	No Trading
May 2012	No Trading	No Trading
June 2012	No Trading	No Trading
July 2012	No Trading	No Trading
August 2012	No Trading	No Trading
September 2012	No Trading	No Trading
October 2012	No Trading	No Trading
November 2012	No Trading	No Trading
December 2012	No Trading	No Trading
January 2013	No Trading	No Trading
February 2013	No Trading	No Trading
March 2013	No Trading	No Trading

REGISTRAR & SHARE TRANSFER AGENT:**Mas Services Limited**

T-34, 2nd Floor,
Okhla Industrial Area, Phase - II
New Delhi-110020
Tel nos.: 011-26387281/ 26387282;
Fax no.: 011 - 26387384
Email: info@masserv.com

SHARE TRANSFER SYSTEM:

Transfer of Shares held in physical form are processed and transferred by the Registrar & Share Transfer Agent appointed by the Company and is approved by shareholders'/Investors' Grievance committee, which meets at frequent intervals as and when required.

In terms of Clause 47(c) of the listing agreement, a qualified company secretary takes the audit of the share transfer related queries in every 6 (six), which is submitted with the Stock exchange.

Shareholding pattern of the Company as at 31.03.2013:

Category	No. of Shares	% Holding
Promoters and Relatives	836900	16.74
Financial Institutions	NIL	NIL
Nationalized Banks	NIL	NIL
Non-Resident Indians	NIL	NIL
Mutual funds & fills	NIL	NIL
	NIL	NIL
Indian Public (Including directors and Relatives)	3501100	70.05
Others	NIL	NIL
Bodies Corporate / Domestic Companies	660000	13.21
Trust	NIL	NIL
Clearing Members	NIL	NIL
Total	4998000	100.00

OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND IMPACT ON EQUITY

The Company has not issued any GDR/ADR/Warrants.

PLANT LOCATION: Not Applicable

ADDRESS FOR CORRESPONDENCE

For any assistance in respect of status of dematerialization of shares, transfer, transmission, issue of duplicate certificates, change of address, non-receipt of Annual Reports, Investors are requested to write to:

Mas Services Limited (Unit: Capital Trade Links Limited)

T-34, 2nd Floor,

Okhla Industrial Area, Phase - II

New Delhi-110020

Tel nos.: 011-26387281/ 26387282;

Fax no.: 011 - 26387384

Email: info@masserv.com

DECLARATION

None of the Director of the Company is a Director of more than 15 Companies and member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
CAPITAL TRADE LINKS LTD.

We have examined the compliance of the conditions of Corporate Governance by CAPITAL TRADE LINKS LIMITED for the year ended 31st March 2013 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the financial statements of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of Investor Grievances received during the year ended 31st March 2013, no investor grievances are pending against the company for a period of exceeding one month as per the record maintained by the companies which are presented to Investor Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR P. K. GAUR & ASSOCIATES

Chartered Accountants

Sd/-

(P.K Gaur)

Partner

Dated: 02nd August 2013

Place: New Delhi