

## CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the listing agreement)

The Companies shares were listed on Bombay Stock Exchange Limited and The Hyderabad Stock Exchange.. The Corporate Governance Report has been prepared in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges.

### 1. BOARD OF DIRECTORS

The Board presently comprises of five Directors, having rich and vast experience with specialized skills in their respective fields, out of which four are Non-Executive Directors. The Company has a Non-Executive Chairman and four (4) Independent Directors comprising more than one third of the total strength of the Board. The Non-Executive Directors are more than 50% of the total number of Directors with the Managing Director being the only Executive Director on the Board of the Company.

Name of the Director	Category	No of Board Meetings during the Year 2009-2010		Attendance at last AGM 29-12-2009	Other Directorships
		Held			
N. Viswanadha Rama Raju	Managing Director	4	Yes	Yes	NIL
S.Pavan Nandan	Independent Director	0	Yes	Yes	NIL
D. Chandra Subash	Independent Director	0	No	Yes	NIL
A.Chandra Sekhar	Independent Director	4	No	No	NIL
K.V.Narasimha Raju	Independent Director	4	No	Yes	NIL

During the year under review five Board Meetings were held on 16-07-2009, 15-10-2009, 19-01-2010 and 18-04-2010.

### 1. COMMITTEES OF DIRECTORS

#### A. Audit Committee

The Company constituted a Qualified and Independent Audit Committee comprising of three Non-Executive Independent Directors in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956.

The Committee is empowered with the powers as prescribed under Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956. The Committee also acts in terms of reference and directions of the Board from time to time.

The present composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:

S.No	Name of the Director	Category
1	K.V.Narasimha Raju	Chairman & Independent Director
2	A.Chandra Sekhar	Independent Director
3	D. Chandra Subash	Independent Director

The Chairman of the Audit Committee also attended the last Annual General Meeting of the company. The Audit Committee meetings were held during the year under review on the following date's 16-07-2009, 15-10-2009, 19-01-2010 and 18-04-2010. The gap between two audit Committee meetings was not more than four months.

The necessary quorum was present at all the meetings.

#### A. Shareholders' Grievances Committee

The Present Composition of the Shareholders Grievances committee is as under:

S.No.	Name of the Director	Nature of Directorship	Membership
1	K.V.Narasimha Raju	Independent & Non-executive Director	Chairman
2	N. Viswanadha Rama Raju	Executive Director	Member

The Committee has been empowered to look into all share holders grievances periodically and take necessary actions.

There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial year ended 30<sup>th</sup> June, 2010.

#### A. GENERAL BODY MEETINGS

i) The Details of the last three Annual General Meetings are given below:

Financial year ended	Date	Venue	Time	Special Resolution passed
June 30th, 2009	29 <sup>th</sup> December, 2009	Golconda Garden Function Hall, Attapur X Roads, Rajendra Nagar, Hyderabad - 28	11.00 AM	No Special Resolution
June 30th, 2008	29 <sup>th</sup> December, 2008	Golconda Garden Function Hall, Attapur X Roads, Rajendra Nagar, Hyderabad - 28	11.00 AM	No Special Resolution
June 30th, 2007	5 <sup>th</sup> November, 2007	Golconda Garden Function Hall, Attapur X Roads, Rajendra Nagar, Hyderabad - 28	11.00 AM	No Special Resolution

i) During the last three financial years the following Special Resolutions were passed at the Extra-Ordinary General Meetings and through Postal Ballet.

Year	Date	Time	Special Resolution Passed
2008-2009	No Extra-ordinary General Meeting of the members was held during the year		
2007-2008	No Extra-ordinary General Meeting of the members was held during the year		
2006-2007	No Extra-ordinary General Meeting of the members was held during the year		

**1. DISCLOSURES**

No transaction of material nature is entered into by the Company with the promoters, directors or management or their relatives etc that may have a potential conflict of interest of the Company. The Company has not entered into any contract with the director, which requires any entry in the register of contracts as required under the provisions of the Companies Act, 1956. There are no pecuniary transactions with the independent/non-executive directors other than payment of remuneration/sitting fees.

**2. GENERAL SHAREHOLDER'S INFORMATION**
**A. Annual General Meeting**

<b>Date and Time</b>	29 <sup>th</sup> December, 2010-11.00AM
<b>Venue</b>	BARON INFOTECH LIMITED, 1-8-303/27, 2 <sup>nd</sup> Floor, OM Plaza Sindhi Colony, P.G Road, Secunderabad.
<b>Last Date of Proxy forms submission</b>	48 Hours

**A. Financial Year** : July 1<sup>st</sup> to June 30<sup>th</sup>

**B. Book Closure** : 25<sup>th</sup> December, 2010 to 29<sup>th</sup> December, 2010

**C. Listing on Stock**

**Exchanges** : 1. Bombay Stock Exchange Limited, Mumbai  
2. The Hyderabad Stock Exchange Limited,

**Stock Code**

Name of the Stock Exchange	Stock Code	Scrip Code
Bombay Stock Exchange Limited	532336	BARONINF
<b>Demat ISIN No. for NSDL &amp; CDSL</b>		INE228B01017

The Companies Securities are listed on the Bombay Stock Exchange Limited, Mumbai. Bombay Stock Exchange Limited has suspended the trading in the scrip of the Company as the Company has not complied with certain listing formalities.

**A. Market Price Data & Share Performance of the Company**

Since there is no trading taken place during the year under review, there is insignificant data

**A. Registrar and Share Transfer System**

M/s Venture Capital Corporates Investments Private Limited  
12-10-167, Bharatnagar  
Hyderabad – 18.

**B. Share Transfer System**

Share Transfers in physical form shall be lodged with the Registrar at the said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt, provided the documents are complete in all respects.

**I. Shareholding Pattern as on 30<sup>th</sup> June, 2010**

Category	No. of Shares held	% of Capital
Indian Promoters	1280700	12.56
Banks, Financial institutions, Insurance Companies (Central/State Govt institutions/ Non-Govt. institution)	0	0
Indian Public	8559905	83.92
Private Corporate Bodies	254195	2.49
NRI's/OCB's/FCCB's, others	105200	1.03
Total	10200000	100

**J. Dematerialization of shares and liquidity**

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization facility. As on 30<sup>th</sup> June, 2009, 59.97% of the Company's Equity Shares are in dematerialized form. The ISIN No./Code for the Company's Equity Shares is INE228B01017. Shareholders can open an account with any of the depository participants registered with any of these depositories.

**L. Registered Office & Address for Correspondence**

Baron Infotech Limited  
1-8-303/27, 2<sup>nd</sup> Floor, OM Plaza ,Sindhi Colony, P.G Road, Secunderabad..

**for and on behalf of the Board  
Baron Infotech Limited**

**Place:** Hyderabad  
**Date :** 29.11.2010

**Sd/-  
N.V.RAMA RAJU  
MANAGING DIRECTOR**