

CORPORATE GOVERNANCE:

COMPANY'S PHILOSOPHY:

The Company firmly believes in and has consistently practiced good Corporate Governance. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equality, in all facets of its operations, and in all its inter-actions with stakeholders, including shareholders, employees. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value.

BOARD OF DIRECTORS:

Composition of directors and their Attendances at the Board Meeting during the year and the last Annual general Meeting and outside Directorships are as follows:

Name of the Director	Category	No of Board Meetings during the Year 2010-2011		Attendance at last AGM 29-12-2010	Other Directorships*
		Held	Attended		
N. Viswanadha Rama Raju	Managing Director	5	5	Yes	NIL
S.Pavan Nandan	Independent Director	5	5	Yes	1
D. Chandra Subash	Independent Director	5	4	Yes	1
A.Chandra Sekhar	Independent Director	5	3	No	NIL
K.V.Narasimha Raju	Independent Director	5	4	Yes	NIL

*Excluding Private Limited Companies

During the year under review five Board Meetings were held on 22-07-2010, 15-10-2010, 29-11-2010, 21-01-2011 and 18-04-2011.

2. COMMITTEES OF DIRECTORS

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 22-07-2010, 15-10-2010, 29-11-2010, 21-01-2011 and 18-04-2011. The gap between two audit Committee meetings was not more than four months.

The necessary quorum was present at all the meetings.

B. Shareholders/Investors Grievance Committee

The present Composition of the Shareholders/Investors Grievance 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 30th June, 2011.

C. 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, 2010	29th December, 2010.	1-8-303/27, 3rd Floor OM Plaza, Sindhi Colony, P.G.Road Secunderabad.	11.00 AM	No Special Resolution
June 30th, 2009	29th December, 2009.	Golconda Garden Function Hall, Attapur X Roads, Rajendra Nagar, Hyderabad - 28	11.00 AM	No Special Resolution
June 30th, 2008	1st December, 2008.	Golconda Garden Function Hall, Attapur X Roads, Rajendra Nagar, Hyderabad - 28	11.00 AM	No Special Resolution

3. 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.

Details of Non-Compliance and Penalties:

There was no non-compliance during the year by the Company on any matter related to Capital Market. There were no penalties imposed nor strictures passed on the Company by any Stock Exchanges, Securities and Exchange Board of India or any Statutory Authority relating to the Capital markets.

Whistle Blower Policy:

As per the Internal Code of Conduct the employees have been given access to the Audit Committee.

CEO/CFO Certification:

The Managing Director (CEO) and Chief Financial Officer have certified to the Board in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 30th June, 2011.

Details of Compliance with Mandatory Requirements and Adoption of the Non-mandatory Requirements:

The Company has complied with the mandatory requirement of Clause 49 and is in the process of implementation of Non-mandatory requirements if any.

Relationships inter-se among Directors:

In accordance with the provisions of Section 6 read with Schedule 1A of the Companies Act, 1956, no Directors are inter-se related to each other.

4. Means of Communication

Your Company complied with the requirements of Clause 41 of the Listing Agreement. The results are being published in Business Standard (English Newspaper) and Andhra Prabha (Telugu – Regional).

The Financial Results are regularly being submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously displayed on the Company's website www.baroninfotech.com.

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

Date and Time	30th December, 2011-11.00AM
Venue	BARON INFOTECH LIMITED, 1-8-303/27, 3rd Floor, OM Plaza Sindhi Colony, P.G Road, Secunderabad.
Last Date of Proxy forms submission	48 Hours

- B. Financial Year** : July 1st to June 30th
C. Book Closure : 26th December, 2011 to 30th December, 2011
D. 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
Demat ISIN No. for NSDL & CDSL	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. The Company has taken steps to get the suspension lifted and is awaiting approval from Bombay Stock Exchange.

E. Market Price Data & Share Performance of the Company

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

F. Registrar and Share Transfer System

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

G. 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 30th June, 2011**

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	8550095	83.83
Private Corporate Bodies	252145	2.47
NRI's/OCB's/FCCB's, others	117060	1.15
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 30th June, 2010, 58.83% 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, 3rd Floor, OM Plaza, Sindhi Colony,
P.G.Road, Secunderabad.

For and on behalf of the Board

Place : Hyderabad
Date : 10.11.2011

Sd/-
N.V.Rama Raju
Managing Director