

## CORPORATE GOVERNANCE:

### BOARD OF DIRECTORS:

Composition of Directors and their Attendances at the Board Meetings during the year and the last Annual General Meeting and outside Directorships are as follows:

Director	No. of Board Meetings attended	Attendance at the Previous AGM	No. of outside Directorship held	Executive/ Non Executive/ independent
Mr. N.V Rama Raju	5	Yes	NIL	Managing Director
Mr.K V N Raju	5	Yes	NIL	Independent
Mr.K Manohara Raju	5	Yes	NIL	Whole time Director
Mr.K Rama Krishna Raju	5	Yes	NIL	Independent
Mr.A Chandra Sekar	5	Yes	NIL	Independent
Mr. N Srinivasa Raju	5	Yes	NIL	Whole time Director

### BOARD COMMITTEES:

#### Audit Committee:

The Audit Committee comprises of two independent Directors and one Non- Executive Director. The Audit Committee met four times during the year. The terms of reference of the Audit Committee mandated by your Board of Directors, which are also in line with the Statutory and regulatory requirements. Are;

- a) Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payments of any other services.
- c) Reviewing with management the annual financial statements before submission to the Board.
- d) Reviewing with management, external and internal auditors, the adequacy of internal control system.
- e) Reviewing the adequacy of internal audit reporting structure, coverage and frequency of internal audit.
- f) Discussions with internal auditors on any significant findings and follow-up thereon;
- g) Reviewing the findings of nay internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board:
- h) Discussion with external auditors before the audit commences nature and scope of audit as well as has post audit discussions to ascertain any area of concern.

- i) Reviewing the Company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

**Remuneration of Directors:**

During the year under review no remuneration was paid to any whole time or non whole time directors

**Shareholders' Grievances Committee:**

The Shareholders/ investors grievance committee consists of

Mr. K Manohara Raju	Chairman
Mr. N.V.Rama Raju	Member
Mr. K.V.N Raju	Member

The Share Transfer Committee looks into share transfers, complaints/grievances of the shareholders on regular basis. Two complaints are pending to be resolved as on the date of AGM.

**Disclosures:** During the period, there are no related party transactions.

General Shareholder information:

- a. Date Time Venue of the 12th Annual General Meeting
  - Date of AGM : 29th December 2009
  - Time : 11.00am
  - Venue : Golconda Garden Function Hall, Attapur X Roads,  
Rajendra Nagar, Hyderabad- 500028
- b. The Financial Year of the Company is from 1st July 2008-30th June 2009
- c. The shares of the Company are listed on
  - i. Hyderabad Stock Exchange
  - ii. Bombay Stock Exchange
- d. The details of the scrip of the company are:
  - Stock Code: Scrip code 532336
  - Trading Symbol: BARONINFOTE

## CERTIFICATE

To

The Members of  
Baron Infotech Limited

We have examined the compliance of conditions of corporate governance by Baron Infotech Limited, for the period ended on **30<sup>th</sup> June 2009**, as stipulated in Clause 49 of Listing Agreement of the said Company with the Stock Exchange (s).

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us:

1. We certify that the Company has not complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.
2. We state that no investor grievance is pending for a period exceeding one month as on **30<sup>th</sup> June 2009** against the Company as per the records maintained by the shareholders / Investors Grievance Committee.
3. 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 MAHADEVAN & Co  
Chartered Accountants

Place:Hyderabad  
Date:01-12-2009

Sd/-

**A.VASUDEVAN**  
Partner  
M.No 03216