

9 October 2017

**The Manager,  
Listing Department  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400001.  
Scrip Code: 532326**

**The Manager,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor; Plot No. C/1  
G Block, Bandra Kurla Complex, Bandra (East),  
Mumbai – 400051  
Symbol: INTENTECH**

Dear Sir/ Madam,

**Sub: Annual Report for the Financial Year 2016-17 - Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting the Annual Report of the Company for the Financial Year 2016-17, duly approved and adopted by the members as per the provisions of the Companies Act, 2013, at the 27th Annual General Meeting of the Company.

The above is also available on the Company's website. This is for your information and records.

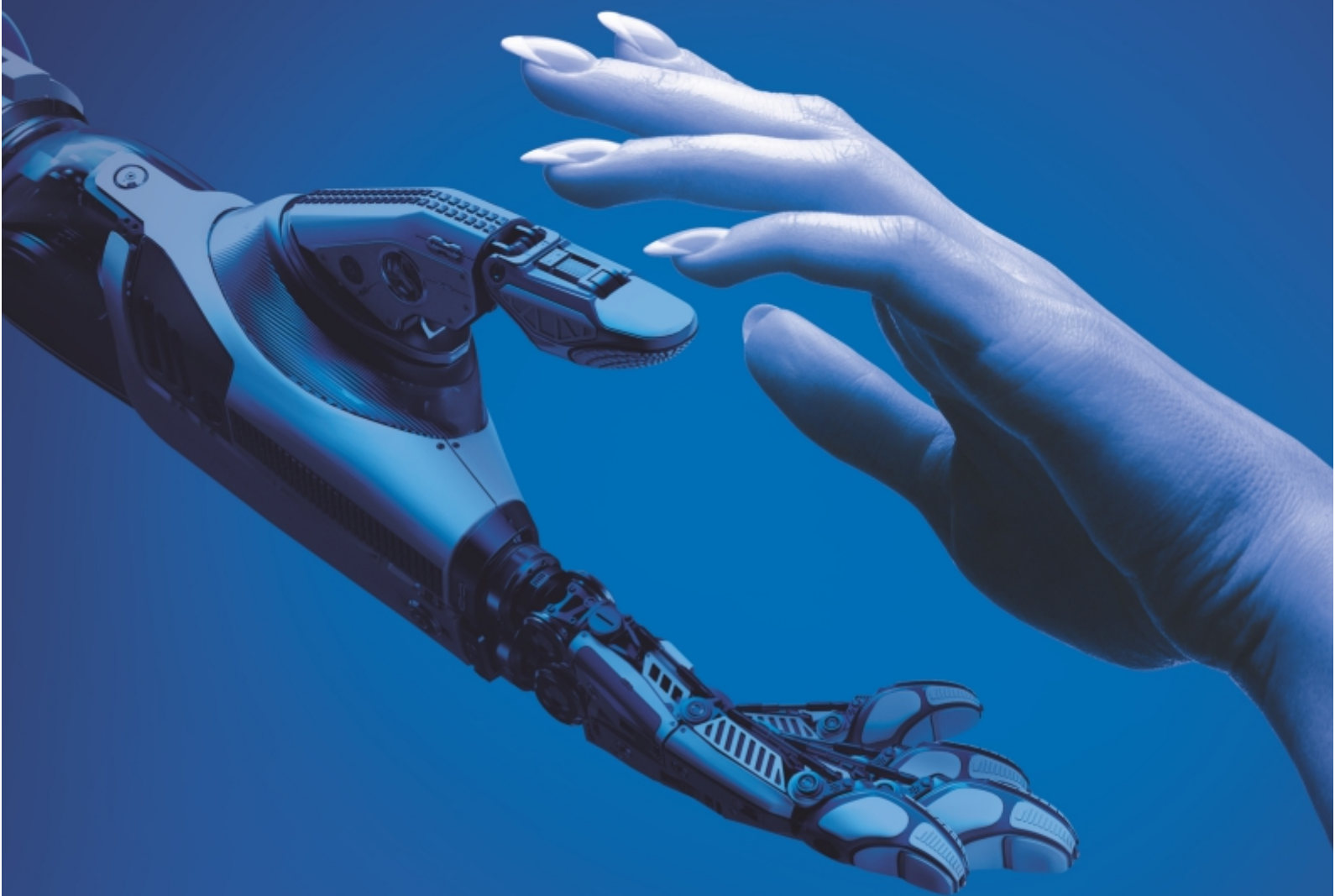
Thanking you

Yours faithfully,  
**For Intense Technologies Limited**

  
**K. Tejaswi  
Company Secretary & Compliance Officer**

Encl: as above

Our intensity.  
Your agility.



## Enabling Digital Business

Annual Report 2016-17

In10s<sup>7</sup>

Intense Technologies Limited





## Enabling Digital Business

Digital era demands new business models that revolve around customer. Traditionally businesses and consumers were the two types of economic agents on which sprang many business models like B2C, B2B and B2B2C. Today connected things and Artificial Intelligence are set to be added as new economic agents. New combinations of value exchanges among all four of these will give rise to many new kinds of business models and value creation opportunities.

To provide increasingly innovative services and better outcomes for both their business and customers, enterprises across industries are building their portfolio of digital ecosystems. Businesses will lay groundwork for building their future digital value chains – and better position themselves at the heart of the emerging digital markets that will determine tomorrow's leaders in every industry.

Business strategy of evolving new business models and value chains requires a digital platform strategy to enable efficient and faster execution of ideas. Platforms are rapidly becoming the central hubs for the rich and complex digital ecosystems that companies want to offer. Adaptive digital technology platforms will help organizations develop and sell products in faster time cycles, offer complimentary services and optimize business operations.

A digital platform is a business-driven framework that allows a community of partners, providers and customers to share and enhance digital processes and capabilities or to extend them for mutual benefit.

UniServe™ NXT is an adaptive digital business platform that enables different combinations of business models that power digital business ecosystems.



## Chairman's Message



C. K. Shastri  
*Founder & Managing Director  
Intense Technologies*

Dear Stakeholder,

Our revenue this year stands at 70.18 crores; we have experienced significant growth in revenues. This high growth rate was possible because customer experience was becoming a key competitive differentiator and our UniServe™ platform became the trusted partner for our customers to digitalize their customer experience lifecycle.

Other reasons for the healthy increase in revenues are improved margins from direct engagement with our customers, penetration into mature markets like Europe, launch of new service models and farming strategy of working closely with existing customers to expand the value proposition of our solutions.

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### This year has been a harbinger of launching Intense into the next league. Following are some of the highlights of the financial year:

- Our solutions are at the center of our customers' mission critical processes of enhancing customer experience. To illustrate this, the world's fastest growing 4G operator wanted to disrupt the market by registering maximum number of subscribers. They created history by onboarding 100 million customers in 170 days and they banked on the onboarding solution built on UniServe™ platform to achieve this milestone.
- The same operator relies on us to send more than 200 million alerts and notifications in a day to their customers. We are happy that our solutions stood the test of time and achieved required scale to help our customers adhere to their business objectives.
- This year we gained leadership position in India in Insurance vertical with most of the life insurance companies having implemented our solution for empowering their customers with information that is consistent, personalized and delivered through preferred digital mediums.
- It was a proud moment for us to be mentioned as the niche category of vendors in the Gartner's magic quadrant for customer communications management report of 2017.
- Globally we have strengthened our relationship with world's second largest telecom service provider and have got repeat orders from them.
- Implementation is now rapidly apace on both phases of the managed services deal with the publicly owned telecom service provider in India and we expect to go on stream by the end of 2017.



- Launch of our new platform UniServe™ NXT with advanced technological capabilities like robotic process automation, artificial intelligence and configurable API layer could not have come at a better time for us.
  - Every enterprise is trying to adapt itself to digital and our platform will help them in exploring new digital business ways and enhance customer experience.
- With all this happening at an incredibly fast pace, we are slated for the big leagues in the coming financial years. We are following the strategy mentioned below to leverage the market opportunities:
- **Farm existing accounts:** Work with our existing customers to continuously expand the value proposition of our solutions and become their strategic partners for their growth. Our annuity revenue has been growing year-on-year and has reached 46 crores INR this year. From next year we target to cover our operational expenses with annuity revenue.
  - **Expand into new geographies:** We are investing in mature markets and seeing good traction. We are continuously working towards leveraging our 21 country procurement agreement with world's second largest telecom service provider to expand into other geographies of the group company. We have seen decent success in our efforts.
  - **Target new verticals:** Our UniServe™ NXT platform makes it easy and fast for us to build new solutions. The platform is vertical agnostic, so we are exploring new revenue opportunities by building use cases for health care and smart cities initiatives of government of India.

- **Launch cloud and digital services:** We have commercially launched our customer engagement solutions on cloud to ensure steady stream of revenues and penetrate the SME segment across verticals in India. We are planning to launch our solutions on cloud in Europe and Americas as well. Our digital services initiative will help service providers generate new revenue by monetizing subscriber data.
- **Strategic partnerships:** We are working closely with System Integrators and consulting firms to evolve a combined value proposition and go-to-market strategy for UniServe™ NXT platform. We are exploring synergies with other product companies and developer communities to use UniServe™ NXT platform for building applications rapidly.

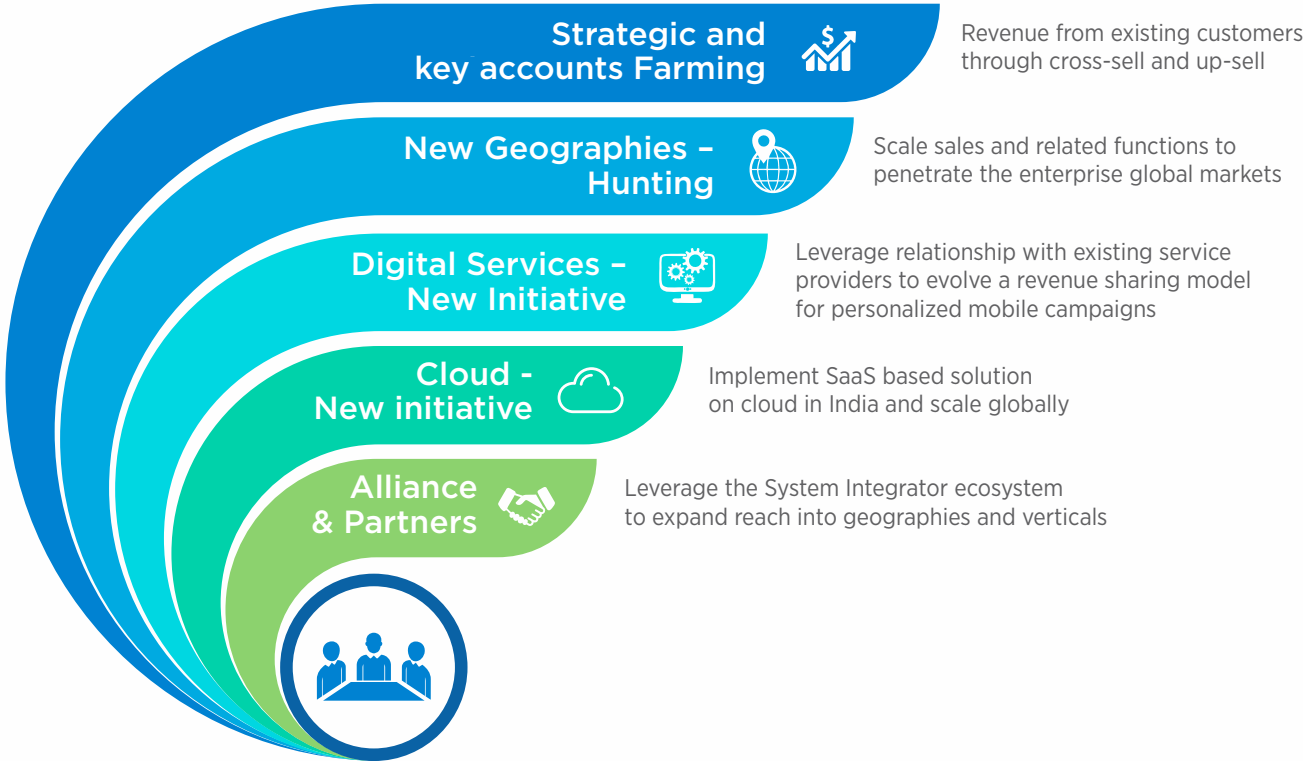
With this plan and strategy in place we are slated for achieving even greater revenues next year. Our people are our greatest asset, and the passion they bring to work is our key to success. We continue to keep our attrition levels low and are investing in training and development to appropriately skill our employees for global markets.

I would like to thank all the stakeholders – shareholders, customers, partners, employees, financial institutions and banks for reposing their faith in the company.



C. K. Shastri  
Chairman & Managing Director

Revenue Streams



## Strong Foundation for Growth

- Leverage 21 country pricing agreement with world's second largest telecom company headquartered in Europe
- Leverage 25 million USD, multi-year managed services deal from publicly owned telecom service provider in India to enhance their customer experience lifecycle and generate advertising revenue by providing digital services
- Penetrate into existing strategic accounts – World's fastest growing 4G operator, India's leading bank, World's 3rd largest telecom operator

## Our Customer Success Stories

### Leading private bank in India with a market cap of 1,38,469 crore enables digital customer empowerment with UniServe

- Launched smart, interactive statements - Competitive advantage through digital customer empowerment
- Improved revenue through analytics driven next best offers -analyze expenses, personalized offers, self-service options within the statements
- Lowered customer support costs

#### Significant achievements

- Processes 4 million transactions per month
- Reduced traffic to customer service center and improved DSO with prompt payments

### World's fastest growing 4G service provider with more than 109 million subscribers' implements UniSeve™ for customer onboarding, customer communications and centralized customer engagement

- End-to-end automation of customer onboarding
- Single solution for physical and digital onboarding by integrating with more than 20 systems. Data update in near real time.
- Automated triggers for all stakeholders
- 100% compliance to KYC regulations.
- Reduction in customer acquisition costs and faster time to revenue

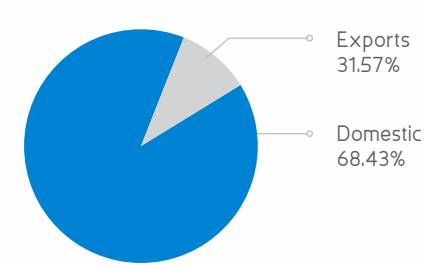
#### Significant achievements

- Achieved 50M subscribers in 83 days and 100M subscribers in 170days
- Sends out 100 million notifications in a day (service requests, OTP, usage threshold limit, campaigns, payment reminders amongst other)
- Supports multiple channels of delivery like email, SMS, Push, OBD

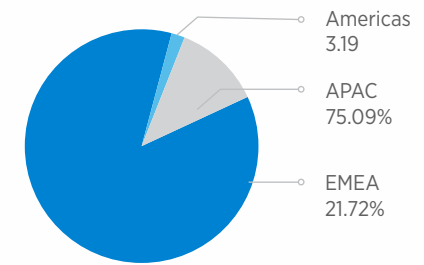


# Key Performance Indicators (Standalone)

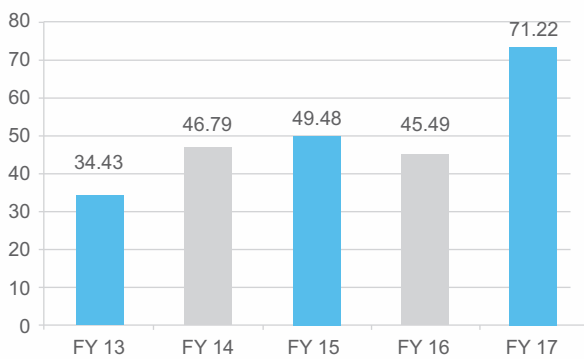
Exports Domestic



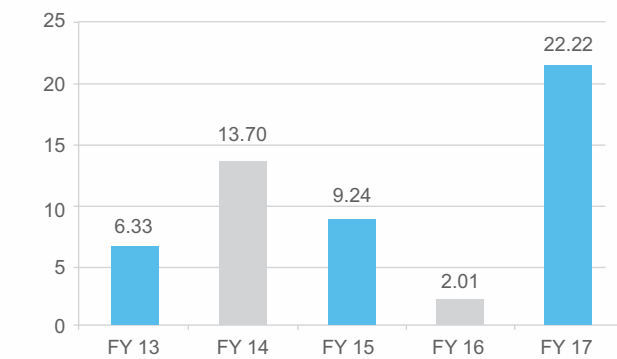
Region wise



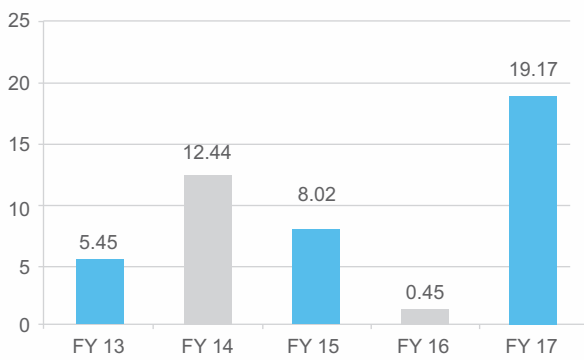
Revenues (₹ crore)



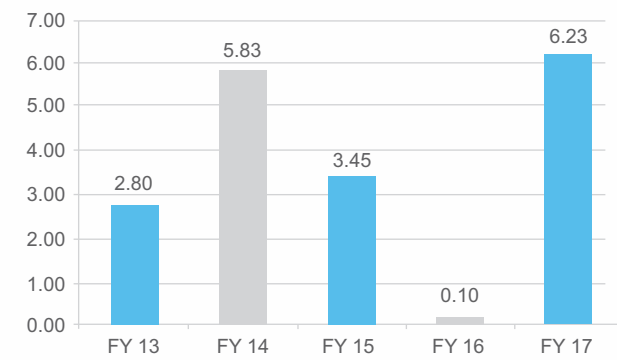
EBITDA (₹ crore)



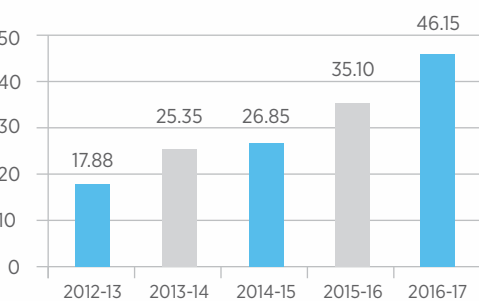
PBT (₹ crore)



EPS (₹)



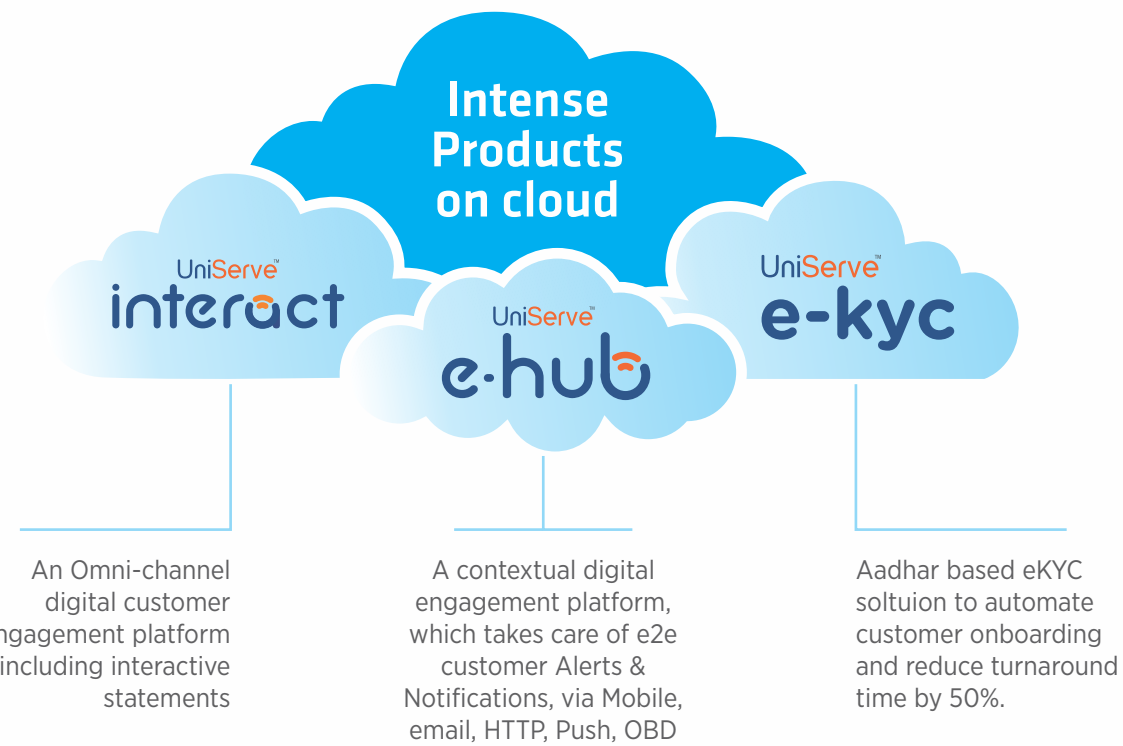
## Annuity Revenue (₹ crore)



Steady increase in annuity revenues

Opportunities of up-sell in all our accounts

# Intense Products on Cloud



## Our People are Building Blocks of Our Agility



15.2% of people are working here for more than 10 years



15.5% employees' are women



35.36% employees' are between age 31-40



Platform is our innovation to enable digital business.  
(Agile framework with Robotic process automation and Artificial Intelligence capabilities)

Supporting intelligent digital business and creating digital business ecosystems require a new set of platform services that will evolve over the next five years

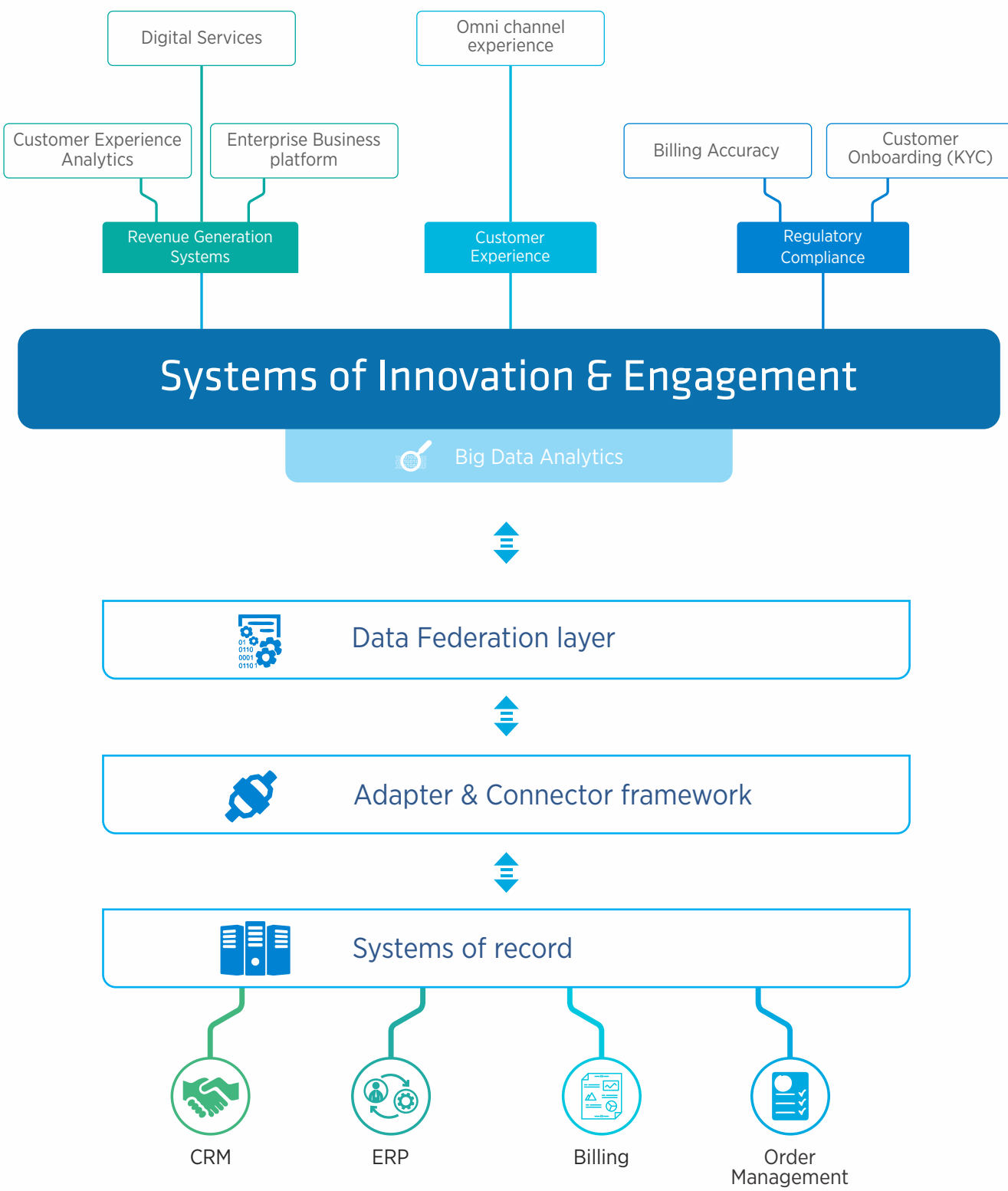
- Gartner

Gartner predicts spending in public cloud services will reach \$245.4 billion in 2017, a 17.4% increase in U.S. dollars

- Gartner

The global digital transformation market is expected to reach \$369.22 billion by 2020 from \$150.70 Billion in 2015, at a CAGR of 19.6%

- Markets & Markets





# UniServe™ NXT

## Amalgamation of Technologies



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## **27<sup>th</sup> ANNUAL GENERAL MEETING**

On Thursday, the 28<sup>th</sup> day of September, 2017 at 2.00 P.M at  
FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdikapul, Hyderabad – 500 004





## Board of Directors

Chairman & Managing Director	:	Mr. C. K. Shastri
Whole Time Director	:	Mr. Jayant Dwarkanath
Director	:	Mr. Tikam Sujan
Director	:	Mrs. V. Sarada Devi
Director	:	Mr. P. Pavan Kumar
Director	:	Mr. K. S. Shanker Rao
Director	:	Mr. V. S. Mallick
<b>Head-Finance</b>	:	Mr. H. Madhukar Nayak
<b>Company Secretary &amp; Compliance Officer</b>	:	Ms. K. Tejaswi
<b>Registered Office</b>	:	A1, Vikramপুরi, Secunderabad - 500009, Telangana. Tel: +91-40-44558585 / 27849019 / 27844551 Fax: +91-40-27819040 Website: in10stech.com
<b>Branch Office</b>	:	<b>Intense Technologies Ltd (Branch office Singapore)</b> 10 Anson Road # 24-09, International Plaza Singapore - 079903
<b>Subsidiaries</b>	:	<b>Intense Technologies FZE</b> P.O.Box 53142, Hamriyah Free Zone, Sharjah, United Arab Emirates (UAE) <b>Intense Technogeis INC</b> 10481, NW 36 Street, Miami, Florida - 33178, United States of America (USA) <b>Intense Technologies UK Limited</b> 200 Brook Drive, Green Park, Reading RG2 6UB, United Kingdom (UK)
<b>Auditors</b>	:	<b>M/s. Srinivas P &amp; Associates</b> Chartered Accountants 301, Madhava Apts, Hill Colony, Khairtabad, Hyderabad – 500004, Telangana.



<b>Secretarial Auditors</b>	:	<b>Puttaparthi Jagannatham &amp; Co.</b> Company Secretaries Flat No. 315, Bhanu Enclave, ESI, Hyderabad - 500038, Telangana.
<b>Shares listed with</b>	:	The Bombay Stock Exchange Limited, Mumbai. National Stock Exchange of India Limited, Mumbai
<b>Registrar &amp; Share Transfer Agents</b>	:	Karvy Computershare Private Ltd. Karvy Selenium Tower B, Plot No.31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032, Telangana P : +91 40 67162222

## Board Committees

### Audit Committee

Chairman	:	Mr. V. S. Mallick
Member	:	Mrs. V. Sarada Devi
Member	:	Mr. K. S. Shanker Rao

### Nomination and Remuneration Committee

Chairman	:	Mr. K. S. Shanker Rao
Member	:	Mrs. V. Sarada Devi
Member	:	Mr. V. S. Mallick

### Stakeholders' Relationship Committee

Chairman	:	Mrs. V. Sarada Devi
Member	:	Mr. V. S. Mallick
Member	:	Mr. K. S. Shanker Rao

### Management Committee

Chairman	:	Mr. C. K. Shastri
Member	:	Mr. Jayant Dwarkanath
Member	:	Mr. V.S. Mallick

### Corporate Social Responsibility Committee

Chairman	:	Mrs. V. Sarada Devi
Member	:	Mr. V. S. Mallick
Member	:	Mr. K. S. Shanker Rao

### Risk Management Committee

Chairman	:	Mr. V. S. Mallick
Member	:	Mrs. V. Sarada Devi
Member	:	Mr. K. S. Shanker Rao

## Board of Directors - Subsidiary Companies

### Intense Technologies FZE

Director	:	Mr. C. K. Shastri
Director	:	Mr. Jayant Dwarkanath

### Intense Technologies INC

Director	:	Mr. C. K. Shastri
Director	:	Mr. Jayant Dwarkanath
Director	:	Mr. Tikam Sujan

### Intense Technologies UK Limited

Director	:	Mr. C. K. Shastri
Director	:	Mr. Jayant Dwarkanath

## NOTICE TO THE 27<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting (AGM) of the Members of Intense Technologies Limited (CIN: L30007TG1990PLC011510) will be held on Thursday, 28<sup>th</sup> day of September, 2017 at 2:00 P.M. at FTAPCCI Auditorium, FTAPCCI house, Red Hills, Lakdi ka Pul, Hyderabad - 500004, to transact the following business:-

### ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Financial Statements of the Company for the year ended 31st March, 2017 together with the Reports of the Board of Directors’ and Auditors’ thereon and the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2017 as presented to the meeting, be and are hereby, approved and adopted”.

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Tikam Sujan (DIN 02137651), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company.”

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Sections 139 and 142 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time, pursuant to the proposals of the Audit Committee of the Board and recommendation of the Board, M/s. M V Narayana Reddy & Co, Chartered Accountants, Hyderabad (Firm Registration No: 002370S) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Meeting for a period of five consecutive years, subject to ratification by the Members at every Annual General Meeting, on a remuneration that may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration may be paid as may be agreed upon between the Auditors and

Board of Directors in addition to reimbursement of all out of-pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2018.”

### SPECIAL BUSINESS:

4. **To Amend, Ratify, Approve and Adopt Intense Employees Stock Option Plan 2005**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), issued by the Securities and Exchange Board of India (“SEBI”), approval and consent of the shareholders of the Company be and is hereby accorded to amend, ratify, approve and adopt the ‘Intense Employees Stock Option Plan 2005’ (hereinafter referred to as the “Intense ESOP 2005”) (formerly known as Fortune Employees Stock Option Plan 2005)

**RESOLVED FURTHER THAT** the Board (which shall for all purpose include the Nomination and Remuneration Committee) be and is hereby authorized to Modify, change, vary, alter and amend Intense ESOP 2005 to make it compliant with SEBI (Share Based Employee Benefits) Regulations, 2014 and Companies Act, 2013 and all other applicable laws, subject to the extent allowed by the Shareholders in their resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary and desirable including without limitation, to make modifications, changes, variations, alterations or revisions in the employee stock option plan(s) as it may deem fit, seek requisite approvals from the appropriate authorities, appointment of consultants, advisors and other agencies.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to the Nomination and

remuneration Committee to give effect to this resolution.”

**5. Grant of options to the employees of the Subsidiary Company (ies) of the Company under Intense Employees Stock Option Plan 2005 (Intense ESOP 2005)**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration/ Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of options to the permanent employees including the Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) whether whole time or otherwise, whether working in India or out of India of any existing and future Subsidiary Company(ies) of the Company whether in or outside India, as may be decided solely by the Board under the Intense Employees Stock Option Plan 2005 (hereinafter referred to as the “ Intense ESOP 2005”), exercisable into fully paid-up Equity Share in the Company, of face value of ₹ 2/- each.

**FURTHER RESOLVED THAT** the Board and any committee formed for this purpose be and is hereby authorized to issue and allot Equity shares upon exercise of options from time to time in accordance with the Intense ESOP 2005 and such Equity shares shall rank pari-passu in all respects with the then

existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which shall for all purpose include the Nomination and Remuneration Committee ), be and are hereby authorized to do all such acts, deeds, and things, as they may, in their absolute discretion deem necessary including authorizing the Board to appoint Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Intense ESOP- 2005 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

**6. To Amend, Ratify, Approve and Adopt Intense Employees Stock Option Plan 2007**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), issued by the Securities and Exchange Board of India (“SEBI”), approval and consent of the shareholders of the Company be and is hereby accorded to amend, ratify, approve and adopt the ‘Intense Employees Stock Option Plan A 2007’ (hereinafter referred to as the “Intense ESOP A 2007”)

**RESOLVED FURTHER THAT** the Board (which shall for all purpose include the Nomination and Remuneration Committee) be and is hereby authorized to Modify, change, vary, alter and amend Intense ESOP 2007 to make it compliant with SEBI (Share Based Employee Benefits ) Regulations, 2014 and Companies Act, 2013 and all other applicable laws, subject to the extent allowed by the Shareholders in their resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary and desirable including without limitation, to make modifications, changes, variations,



alterations or revisions in the employee stock option plan (s) as it may deem fit, seek requisite approvals from the appropriate authorities, appointment of consultants, advisors and other agencies.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to the Nomination and remuneration Committee to give effect to this resolution.”

**7. Grant of options to the employees of the Subsidiary Company (ies) of the Company under Intense Employees Stock Option Plan A 2007 (Intense ESOP A 2007)**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration/ Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of options to the permanent employees including the Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) whether whole time or otherwise, whether working in India or out of India of any existing and future Subsidiary Company (ies) of the Company whether in or outside India, as may be decided solely by the Board under the Intense Employees Stock Option Plan A 2007 (hereinafter referred to as the “Intense

ESOP 2007”), exercisable into fully paid-up Equity Share in the Company, of face value of 2/- each.

**FURTHER RESOLVED THAT** the Board and any committee formed for this purpose be and is hereby authorised to issue and allot Equity shares upon exercise of options from time to time in accordance with the Intense ESOP 2007 and such Equity shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which shall for all purpose include the Nomination and Remuneration Committee ) ,be and are hereby authorized to do all such acts, deeds, and things, as they may, in their absolute discretion deem necessary including authorizing the Board to appoint Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Intense ESOP- 2007 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

**8. To Amend, Ratify, Approve and Adopt Intense Employees Stock Option Plan - Scheme A 2009**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), issued by the Securities and Exchange Board of India (“SEBI”), approval and consent of the shareholders of the Company be and is hereby accorded to amend, ratify, approve and adopt the ‘Intense Employees Stock Option Plan Scheme A 2009’ (hereinafter referred to as the “Intense ESOP Scheme A 2009”) ”

**RESOLVED FURTHER THAT** the Board (which shall for all purpose include the Nomination and Remuneration Committee) be and is hereby authorized to Modify, change, vary, alter and amend Intense ESOP Scheme A 2009 to make it compliant with SEBI (Share Based Employee Benefits)

Regulations, 2014 and Companies Act, 2013 and all other applicable laws, subject to the extent allowed by the Shareholders in their resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary and desirable including without limitation, to make modifications, changes, variations, alterations or revisions in the employee stock option plan(s) as it may deem fit, seek requisite approvals from the appropriate authorities, appointment of consultants, advisors and other agencies.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to the Nomination and remuneration Committee to give effect to this resolution.”

**9. Grant of options to the employees of the Subsidiary Company (ies) of the Company under Intense Employees Stock Option Plan-Scheme A 2009 (Intense ESOP Scheme A 2009)**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **special resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration/ Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such

number of options to the permanent employees including the Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) whether whole time or otherwise, whether working in India or out of India of any existing and future Subsidiary Company (ies) of the Company whether in or outside India, as may be decided solely by the Board under the Intense Employees Stock Option Plan-Scheme A 2009 (hereinafter referred to as the “Intense ESOP Scheme A 2009”), exercisable into fully paid-up Equity Share in the Company, of face value of 2/- each.

**FURTHER RESOLVED THAT** the Board and any committee formed for this purpose be and is hereby authorized to issue and allot Equity shares upon exercise of options from time to time in accordance with the Intense ESOP Scheme A 2009 and such Equity shares shall rank pari-passu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which shall for all purpose include the Nomination and Remuneration Committee), be and are hereby authorized to do all such acts, deeds, and things, as they may, in their absolute discretion deem necessary including authorizing the Board to appoint Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Intense ESOP Scheme A 2009 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

For and on behalf of the Board

**C. K. Shastri**

Chairman & Managing Director  
DIN: 00329398

Place: Secunderabad  
Date : 16<sup>th</sup> August, 2017

## NOTES

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself / herself and a proxy need not be a member of the company. The instrument of Proxy in order to be effective should be deposited at its Registered Office of the Company not later than forty eight hours before the commencement of the Meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.**

2. The Register of Members and Share Transfer Books of the Company will remain closed from 21-09-2017 to 28-09-2017 (both days inclusive) for determining the names of members eligible for Voting at the General Meeting.
3. Electronic copy of the Annual Report and the notice of the Annual General Meeting of the Company 'inter alia' indicating the process and manner of e-voting along with attendance slip and proxy form are being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.
4. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in electronic form are requested to advise change of addresses to their Depository Participants.
5. Members are requested to affix their signatures at the space provided on the attendance slip annexed to proxy form and handover the slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution / power of attorney authorizing their representatives to attend and vote at the Annual General Meeting.

6. Members may also note that the notice of the Annual General Meeting and the Annual Report will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at A1, Vikramপুরi, Secunderabad - 500 009, for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.

7. **Process and Manner for Shareholders opting for e-voting is as under:-**

### **Remote E-Voting:**

The Company provides e-voting facility to the shareholders of the Company to enable them to cast their votes electronically on the items mentioned in the Notice. The facility for voting by ballot or polling paper shall also be made available at the Annual General Meeting and the shareholders attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. CS Puttaparthi Jagannatham, Advocate as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The e-voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on 21st September, 2017, being the Cut-off date for the purpose. The Shareholders of the Company holding shares either in dematerialised or in physical form, as on the Cut-off date, may cast their vote electronically. A person who is not a shareholder on the Cut-off date should treat this Notice for information purposes only.

The process and manner for remote e-voting are as under:

- a. The Company has entered into an arrangement with Karvy Computershare Private Limited ("Karvy") for facilitating remote e-voting for the Annual General Meeting. The instructions for remote e-voting are as under:
  - (i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'.

- (ii) Enter the login credentials, i.e. user-id & password, mentioned on the Attendance Slip / Email forwarded through the electronic notice:

<b>User – ID</b>	For shareholder(s)/ Beneficial Owner(s) holding Shares In Demat Form:- a) For NSDL:- 8 Characters DP ID Followed By 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID c) For Members holding shares in Physical Form:- Folio Number registered with the Company
<b>Password</b>	Your Unique password is printed on the AGM Attendance Slip / sent via email forwarded through the electronic notice.
<b>Captcha</b>	Enter the Verification code for Security reasons, i.e., please enter the alphabets and numbers in the exact way as they are displayed.

- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) Members holding shares in Demat / Physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*, #, @, etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that such company opts for e-voting through Karvy's e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID., etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference. In case you forget it, you will need to go through 'Forgot Password' option available on the Karvy's e-voting website to reset the same.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event', i.e. Intense Technologies Limited'.
- (vii) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any other company, then your existing login id and password are to be used.
- (viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ABSTAIN' for voting. Enter the number of shares under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast a vote, you may select 'ABSTAIN'.
- (ix) After selecting the resolution if you have decided to cast vote on the same, click on “SUBMIT” and a confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xi) Corporate / Institutional Members (corporate / FIs / FIIs / Trust / Mutual Funds / Banks, etc.) are required to send scanned copy (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [pjagan123@gmail.com](mailto:pjagan123@gmail.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image / pdf file of the Board Resolution should be in the naming format “Corporate Name”.
- b. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently. Kindly note that once you have cast your vote you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.
- c. The Portal will remain open for voting from: 9.00 a.m. on 25th September 2017 to 5.00 p.m. on 27th September 2017 (both days inclusive). The e-voting portal shall be disabled by Karvy thereafter.



- d. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com>. In case of any grievances, you may contact Mr. K S Reddy of Karvy Computershare Private Limited at 040-67162222 or at 1800-3454-001 (toll free); email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
- e. The Scrutinizer shall within a period not later than 3 (Three) days from the conclusion of the voting at the annual general meeting, first count the votes cast at the annual general meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 3 (Three) days after the conclusion of the annual general meeting to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
- f. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the resolutions.
- g. The results declared along with the Scrutinizer's Report(s) will be placed on the website of the Company [www.in10stech.com](http://www.in10stech.com) and on Karvy's website (<https://evoting.karvy.com>) immediately after it is declared by the Chairman, or any other person authorised by the Chairman, and the same shall be communicated to Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

**Additional information on Directors seeking reappointment as required under Securities and Exchange Board of India (Listing obligations and disclosure requirements) Regulations, 2015, at the Annual General Meeting**

Particulars	Mr. Tikam Sujan
Directors Identification Number (DIN)	02137651
Date of Birth & Nationality	23.02.1959; NRI
Date of first Appointment on the Board of the Company	14.08.2003
Qualifications & Expertise	Tikam Sujan is a successful NRI businessman based at Miami, Florida, USA having 33 years of experience in operating in American geography.
Directorship held in other Public Companies	Nil
Memberships/ Chairmanships of committees of other public companies (including only Audit and Shareholders Grievance Committee)	Nil
Number of shares held in the Company	2275802

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.4 and 5**

The Board of Directors of the Company (hereinafter referred to as the “**Board**”) in order to enhance the employee engagement, reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company and to create a sense of ownership and participation amongst them, implemented the Intense Employee Stock Option Plan 2005 (hereinafter referred to as ‘**Intense ESOP 2005**’) (formerly Fortune Employee Stock Option Plan 2005 ) for the present and/or future permanent employees of the Company and its subsidiary(ies) (hereinafter referred to as ‘**employees**’ or ‘**said employees**’) in accordance with the applicable laws.

However, the plan at that time was formulated in accordance with the erstwhile SEBI guidelines 1999, and in order to make it compliant with the current SEBI (Share based Employee Benefit) Regulations, 2014, approval of the Shareholders of the Company by way of special resolution as stated in item No.4 is sought to amend, ratify, approve and adopt the Intense Employee Stock Option Plan 2005.

Further, in terms of the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6(3)(c) of SEBI (Share Based Employee Benefit) Regulations, 2014, issuance of options and conversion thereof into equity Shares of the company, to the Employees of subsidiary companies requires an approval of the existing Members by way of a Separate Resolution and accordingly, the Special Resolution at Item No. 5 seeks your approval.

The main features of the **Intense Employees Stock Option Plan 2005** and other details of the Plan as per Regulation 6(2) of SEBI (SBEB) Regulations, 2014, are as under:-

**a) Brief description of the Plan:**

This Plan shall be called the “Fortune Employees Stock Option Plan – 2005” or “Intense ESOP – 2005” or “Plan”. It applies only to the eligible employees of the Company and its subsidiary (both Indian as well as foreign) companies whether now or hereafter existing, who are in permanent employment and Whole-time Directors of such company (ies).

The Plan will be implemented via Direct Route wherein the Company will directly allot fresh Equity Shares of the Company, to the Employees who successfully exercised their vested options.

**b) Total number of Options to be granted under the Plan:**

The maximum number of granted options under Scheme shall not exceed 30,00,000 options convertible into equal number of Equity Shares of ₹ 2/- each of the Company. .

**c) Identification of classes of employees entitled to participate and be beneficiaries in Intense Employees Stock Option Plan – 2005:**

Employees are the permanent Employees, including Executive Directors and Whole-time Directors, of the company and its subsidiary (ies) or as may be decided by the Board from time to time on such parameters as may be decided by the Board at its discretion.

**d) Requirement of Vesting and period of Vesting:**

The options granted under Intense Employees Stock Option Plan 2005 shall vest, in one or more tranches over a period of 4 years, so long as the option holder continues to be in the employment in the Company, as the case may be and further subject to the satisfaction of other conditions as stipulated under the Intense Employees Stock Option Plan– 2005.

The vesting shall take place over a period of four years in the following manner:

Time period of vesting	% of options to be vested
At the end of first (1st) year from the date of grant	25
At the end of second (2nd) year from the date of grant	25
At the end of third (3rd) year from the date of grant	25
At the end of fourth (4th) year from the date of grant	25

**e) Maximum period within which the options shall be vested:**

All the options will get vested within maximum period of 4 years.

**f) Exercise Price/ Pricing formula:**

The Exercise Price of the option shall be ₹ 2/- each.

**g) Exercise period and process of Exercise:**

Under Intense Employees Stock Option Plan 2005, an employee shall be eligible to convert the vested options into shares at any time not later than five years from the date of grant of options under the plan. Employee shall exercise the options so vested by sending a written notice to the compensation committee along with the exercise price.

**h) Appraisal process for determining the eligibility of the employees to Intense Employees Stock Option Plan – 2005:**

In determining the eligibility of an Employee to receive an Option, as well as in determining the number of Shares to be optioned to any Employee, the Committee may consider the position and responsibilities of the Employee, the nature and value to the Company of the Employee's services and accomplishments, the Employee's present and potential contribution to the success of the Company and such other factors as the Committee may deem relevant.

**i) The Maximum number of Options to be granted per employee and in aggregate:**

However the Maximum number of options to be granted per employee in each grant and in aggregate will not exceed 1% of the issued capital of the Company, during any one year.

**j) The Maximum quantum of benefits to be provided per employee under the plan:**

The maximum quantum of benefit that will be provided to every eligible employee under the plan will be the difference between the Exercise Price paid by the employee to the company and the value of company's share on the stock exchange on the date of exercise of options.

**k) Implementation and administration of the plan:**

Subject to Applicable Laws, the broad policy and the framework laid down by the Board of Directors, the plan shall be administered by the Compensation Committee or any such other committee as the Board may authorize for this purpose.

**l) Whether the plan involves new issue of shares by the company or secondary acquisition by the Trust or both:**

The Company/ Board, upon completion of a valid Exercise of Options, shall make an allotment of shares to the Optionee or by any other mechanism permissible under the applicable laws.

**m) The amount of loan to be provided for implementation of the plan by the company to the trust, its tenure, utilization, repayment terms, etc:**

Not Applicable as the plan is being implemented through direct route and thus no trust has been established for the purpose of formulation and implementation of plan.

**n) The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the plan:**

Not Applicable as the Company/ Board, upon completion of a valid Exercise of Options, shall make a fresh allotment of shares to the Optionee or by any other mechanism permissible under the applicable laws.

**o) Disclosure and accounting policies:**

The Company will confirm to the disclosures and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations, 2014 or as may be prescribed by regulatory authorities from time to time.

**p) The method which the Company shall use to value its Options:**

The company shall Comply with the requirements of 'guidance note on accounting for employee share based Payments' (Guidance note) or accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized, if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

In terms of the Companies Act, 2013 and the SEBI (SBEB) Regulations, 2014 the approval of the Shareholders is sought by way of Special Resolution for the amendment, ratification, approval and adoption of the Intense Employees Stock Option Plan- 2005, therefore, your Directors recommend the Resolutions as set out at item no.4 and 5 for your approval by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company.



## Item No. 6 and 7

The Board of Directors of the Company (hereinafter referred to as the “**Board**”) in order to enhance the employee engagement, reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company and to create a sense of ownership and participation amongst them, implemented the Intense Employee Stock Option Plan A 2007 (hereinafter referred to as ‘**Intense ESOP A 2007**’) for the present and/or future permanent employees of the Company and its subsidiary(ies) (hereinafter referred to as ‘**employees**’ or ‘**said employees**’) in accordance with the applicable laws.

However, the Plan at that time was formulated in accordance with the erstwhile SEBI guidelines 1999, and in order to make it compliant with the current SEBI (Share based Employee Benefit) Regulations, 2014, approval of the Shareholders of the Company by way of special resolution as stated in item No.6 is sought to amend, ratify, approve and adopt the Intense Employee Stock Option Plan A 2007.

Further, in terms of the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6(3)(c) of SEBI (Share Based Employee Benefit) Regulations, 2014, issuance of options and conversion thereof into equity Shares of the company, to the Employees of subsidiary companies requires an approval of the existing Members by way of a Separate Resolution and accordingly, the Special Resolution at Item No. 7 seeks your approval.

The main features of the **Intense Employees Stock Option Plan A 2007** and other details of the Plan as per Regulation 6(2) of SEBI (SBEB) Regulations, 2014, are as under:-

**a) Brief description of the Plan:**

This Plan shall be called the “Intense Employees Stock Option Plan A – 2007” or “Intense ESOP – 2007” or “Plan”. It applies only to the eligible employees of the Company and its subsidiary (both Indian as well as foreign) companies whether now or hereafter existing, who are in permanent employment and Whole-time Directors of such company (ies).

The plan will be implemented via Direct Route wherein the Company will directly allot fresh Equity Shares of the Company, to the Employees who successfully exercised their vested options.

**b) Total number of Options to be granted under the Plan:**

The maximum number of granted Options under Scheme shall not exceed 5,00,000 options convertible into equal number of Equity Shares of ₹ 2/- each of the Company.

**c) Identification of classes of employees entitled to participate and be beneficiaries in Intense Employees Stock Option Plan A – 2007:**

Employees are the permanent Employees, including Executive Directors and Whole-time Directors, of the company and its subsidiary (ies) or as may be decided by the Board from time to time on such parameters as may be decided by the Board at its discretion.

**d) Requirement of Vesting and period of Vesting:**

The options granted under Intense Employees Stock Option Plan A 2007 shall vest, in one or more tranches over a period of 4 years, so long as the option holder continues to be in the employment in the Company, as the case may be and further subject to the satisfaction of other conditions as stipulated under the Intense Employees Stock Option Plan A – 2007.

The vesting shall take place over a period of four years in the following manner:

Time period of vesting	% of options to be vested
At the end of first (1st) year from the date of grant	25
At the end of second (2nd) year from the date of grant	25
At the end of third (3rd) year from the date of grant	25
At the end of fourth (4th) year from the date of grant	25

**e) Maximum period within which the options shall be vested:**

All the options will get vested within maximum period of 4 years.

**f) Exercise Price/ Pricing formula:**

The Exercise Price of the option shall be the Market price of the share as on the grant date determined in accordance with SEBI Guidelines. The Exercise Price shall be paid to the company in cash upon exercise of the options.

**g) Exercise period and process of Exercise:**

Under Intense Employees Stock Option Plan 2007, an employee shall be eligible to convert the vested options into shares at any time not later than five years from the date of grant of options under the plan..Employee shall exercise the options so vested by sending a written notice to the compensation committee along with the exercise price.

**h) Appraisal process for determining the eligibility of the employees to Intense Employees Stock Option Plan A – 2007:**

In determining the eligibility of an Employee to receive an Option, as well as in determining the number of Shares to be optioned to any Employee, the Committee may consider the position and responsibilities of the Employee, the nature and value to the Company of the Employee's services and accomplishments, the Employee's present and potential contribution to the success of the Company and such other factors as the Committee may deem relevant .

**i) The Maximum number of Options to be granted per employee and in aggregate:**

However the Maximum number of options to be granted per employee in each grant and in aggregate will not exceed 1% of the issued capital of the Company, during any one year.

**j) The Maximum quantum of benefits to be provided per employee under the plan:**

The maximum quantum of benefit that will be provided to every eligible employee under the plan will be the difference between the Exercise Price paid by the employee to the company and the value of company's share on the stock exchange on the date of exercise of options.

**k) Implementation and administration of the plan:**

Subject to Applicable Laws, the broad policy and the framework laid down by the Board of Directors, the plan shall be administered by the Compensation Committee or any such other committee as the Board may authorize for this purpose.

**l) Whether the plan involves new issue of shares by the company or secondary acquisition by the Trust or both:**

The Company/ Board, upon completion of a valid Exercise of Options, shall make an allotment of shares to the Optionee or by any other mechanism permissible under the applicable laws.

- m) **The amount of loan to be provided for implementation of the plan by the company to the trust, its tenure, utilization, repayment terms, etc:**

Not Applicable as the plan is being implemented through direct route and thus no trust has been established for the purpose of formulation and implementation of plan.

- n) **The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the plan:**

Not Applicable as the Company/ Board, upon completion of a valid Exercise of Options, shall make a fresh allotment of shares to the Optionee or by any other mechanism permissible under the applicable laws.

- o) **Disclosure and accounting policies:**

The Company will confirm to the disclosures and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations, 2014 or as may be prescribed by regulatory authorities from time to time.

- p) **The method which the Company shall use to value its Options:**

The company shall Comply with the requirements of 'guidance note on accounting for employee share based Payments' (Guidance note) or accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

'In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized, if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'

In terms of the Companies Act, 2013 and the SEBI (SBEB) Regulations, 2014 the approval of the Shareholders is sought by way of Special Resolution for the amendment, ratification, approval and adoption of the Intense Employees Stock Option Plan A – 2007, therefore, your Directors recommend the Resolutions as set out at item no.6 and 7 for your approval by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company.

## **Item No.8 and 9**

The Board of Directors of the Company (hereinafter referred to as the "**Board**") in order to enhance the employee engagement, reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company and to create a sense of ownership and participation amongst them, implemented the Intense Employee Stock Option Plan- Scheme A 2009 (hereinafter referred to as '**Intense ESOP Scheme A 2009**') for the present and/or future permanent employees of the Company and its subsidiary (ies) (hereinafter referred to as '**employees**' or '**said employees**') in accordance with the applicable laws.

However, the plan at that time was formulated in accordance with the erstwhile SEBI guidelines 1999, and in order to make it compliant with the current SEBI (Share based Employee Benefit) Regulations, 2014, approval of the Shareholders of the Company by way of special resolution as stated in item No.8 is sought to amend, ratify, approve and adopt the Intense Employee Stock Option Plan Scheme A 2009.

Further, in terms of the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 6(3)(c) of SEBI (Share Based Employee Benefit) Regulations, 2014, issuance of options and conversion thereof into equity Shares of the company, to the Employees of subsidiary companies requires an approval of the existing Members by way of a Separate Resolution and accordingly, the Special Resolution at Item No. 9 seeks your approval.

The main features of the **Intense Employees Stock Option Plan Scheme A 2009** and other details of the Plan as per Regulation 6(2) of SEBI (SBEB) Regulations, 2014, are as under:-

**a) Brief description of the Plan:**

This Plan shall be called the “Intense Employees Stock Option Plan – Scheme A 2009” or “Intense ESOP Scheme A 2009” or “Plan”. It applies only to the eligible employees of the Company and its subsidiary (both Indian as well as foreign) companies whether now or hereafter existing, who are in permanent employment and Whole-time Directors of such company (ies).

The plan will be implemented via Direct Route wherein the Company will directly allot fresh Equity Shares of the Company, to the Employees who successfully exercised their vested options.

**b) Total number of Options to be granted under the Plan:**

The maximum number of granted options under Scheme shall not exceed 20,00,000 options convertible into equal number of Equity Shares of ₹ 2/- each of the Company.

**c) Identification of classes of employees entitled to participate and be beneficiaries in Intense Employees Stock Option Plan Scheme A – 2009:**

Employees are the permanent Employees, including Executive Directors and Whole-time Directors, of the company and its subsidiary (ies) or as may be decided by the Board from time to time on such parameters as may be decided by the Board at its discretion.

**d) Requirement of Vesting and period of Vesting:**

The options granted under Intense Employees Stock Option Plan Scheme A 2009 shall vest, in one or more tranches over a period of 4 years, so long as the option holder continues to be in the employment in the Company, as the case may be and further subject to the satisfaction of other conditions as stipulated under the Intense Employees Stock Option Plan Scheme A – 2009.

The vesting shall take place over a period of four years in the following manner:

Time period of vesting	% of options to be vested
At the end of first (1st) year from the date of grant	25
At the end of second (2nd) year from the date of grant	25
At the end of third (3rd) year from the date of grant	25
At the end of fourth (4th) year from the date of grant	25

**e) Maximum period within which the options shall be vested:**

All the options will get vested within maximum period of 4 years.

**f) Exercise Price/ Pricing formula:**

The Exercise Price of the option shall be ₹ 2/- each.

**g) Exercise period and process of Exercise:**

Under Intense Employees Stock Option Plan Scheme A 2009, an employee shall be eligible to convert the vested options into shares at any time not later than five years from the date of vesting of options or such other period as decided by the compensation committee. Employee shall exercise the options so vested by sending a written notice to the compensation committee along with the exercise price.

**h) Appraisal process for determining the eligibility of the employees to Intense Employees Stock Option Plan Scheme A – 2009:**

In determining the eligibility of an Employee to receive an Option, as well as in determining the number of Shares to be optioned to any Employee, the Committee may consider the position and responsibilities of the Employee, the nature and value to the Company of the Employee’s services and accomplishments, the Employee’s present and potential contribution to the success of the Company and such other factors as the Committee may deem relevant .



- i) **The Maximum number of Options to be granted per employee and in aggregate:**  
However the Maximum number of options to be granted per employee in each grant and in aggregate will not exceed 1% of the issued capital of the Company, during any one year.
- j) **The Maximum quantum of benefits to be provided per employee under the plan:**  
The maximum quantum of benefit that will be provided to every eligible employee under the plan will be the difference between the Exercise Price paid by the employee to the company and the value of company's share on the stock exchange on the date of exercise of options.
- k) **Implementation and administration of the plan:**  
Subject to Applicable Laws, the broad policy and the framework laid down by the Board of Directors, the plan shall be administered by the Compensation Committee or any such other committee as the Board may authorize for this purpose.
- l) **Whether the plan involves new issue of shares by the company or secondary acquisition by the Trust or both:**  
The Company/ Board, upon completion of a valid Exercise of Options, shall make an allotment of shares to the Optionee or by any other mechanism permissible under the applicable laws.
- m) **The amount of loan to be provided for implementation of the plan by the company to the trust, its tenure, utilization, repayment terms, etc:**  
Not Applicable as the plan is being implemented through direct route and thus no trust has been established for the purpose of formulation and implementation of plan.
- n) **The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the plan:**  
Not Applicable as the Company/ Board, upon completion of a valid Exercise of Options, shall make a fresh allotment of shares to the Optionee or by any other mechanism permissible under the applicable laws.
- o) **Disclosure and accounting policies:**  
The Company will confirm to the disclosures and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations, 2014 or as may be prescribed by regulatory authorities from time to time.
- p) **The method which the Company shall use to value its Options:**  
The company shall Comply with the requirements of 'guidance note on accounting for employee share based Payments' (Guidance note) or accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.  
  
In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized, if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.  
  
In terms of the Companies Act, 2013 and the SEBI (SBEB) Regulations, 2014 the approval of the Shareholders is sought by way of Special Resolution for the amendment, ratification, approval and adoption of the Intense Employees Stock Option Plan – 2017, therefore, your Directors recommend the Resolutions as set out at item no.8 and 9 for your approval by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company.

For and on behalf of the Board

**C. K. Shastri**

Chairman & Managing Director  
DIN: 00329398

Place : Secunderabad  
Date : 16<sup>th</sup> August, 2017

# DIRECTORS' REPORT

## Dear Shareholders,

Your Directors have pleasure to present the 27<sup>th</sup> Annual Report and the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2017.

## 1. Financial Results

The Company's financial performance, for the year ended 31st March, 2017 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2016-2017	2015-2016	2016-2017	2015-2016
<b>Gross Revenues</b>	<b>7122.45</b>	<b>4,548.70</b>	<b>7133.13</b>	<b>4,729.80</b>
<b>Total Expenditure</b>	<b>5205.72</b>	<b>4,503.86</b>	<b>6042.65</b>	<b>5,575.96</b>
Profit/(Loss) before tax	1916.72	44.84	1090.48	(846.16)
Tax Expense	605.50	24.40	605.50	24.40
<b>Profit/(Loss) after tax</b>	<b>1311.22</b>	<b>20.44</b>	<b>484.98</b>	<b>(870.56)</b>
Earnings per share				
Basic EPS (Face Value ₹ 2/- each)	6.23	0.09	2.49	(4.01)
Diluted EPS (Face Value ₹ 2/- each)	6.16	0.09	2.46	(3.73)

## 2. Year gone by

During the year under review, your Company registered a gross revenue of ₹ 7,122.45 lakhs (previous ₹ 4,548.70 lakhs) and a Profit Before Tax ₹ 1916.72 lakhs (previous year ₹ 44.84 lakhs) on a standalone basis. On account of continuous investments being made in overseas subsidiaries, profit for this year stands at ₹ 1090.48 lakhs on consolidated basis (previous year loss ₹ 846.16 lakhs).

Good revenue growth this year is a result of our strategic approach of direct engagements with new customers, farming existing accounts to expand the scope of our solutions and launch of our solutions on cloud along with digital services initiative. The launch of our new platform, UniServe™ NXT with advanced technological capabilities to help enterprises evolve digital ways of doing business, has immense potential as we see very good traction in the market. Moreover, we were successful in getting our first order for the platform from a leading telecom service provider in Europe. UniServe™ NXT platform was recognized as the best of Future IT (Emerging technologies) by world renowned iCMG Architecture Awards panel for 2016.

We continue to push for consolidation of our presence in the Americas and are seeing gains being made in the region. Our maiden implementation at a leading data services company will shortly go on stream. We are currently pursuing exciting opportunities that have the potential to expand into a multi-country engagement. Our cloud and digital services initiatives are seeing very good traction in domestic markets. A leading non-banking financial services company trusts our customer engagement solutions on cloud.

## 3. Future Outlook

In the new digital era, every business aspires to go digital. Enterprises are looking to explore digital mediums to automate every aspect of their business and their success depends on the digital eco systems that they build to deliver value to their customers. UniServe™ NXT platform will help enterprises adapt digital ways and delivers value by making it easy to connect to IoT and use AI to automate business processes. Enterprises can develop custom applications rapidly and experiment with new ideas of process automation with the help of the platform. We are partnering with system integrators and consulting firms to leverage their domain knowledge and evolve a combined value proposition to take it to the market. Our existing customers are showing great interest in our innovation and are willing to work with us to evolve our platform. Implementation is now rapidly apace on both phases of the managed services deal from publicly owned telecom service provider in India and we expect to go on stream by the end of 2017 resulting in predictable revenue stream.

We are planning to launch our cloud services in global markets in phases during the next couple of years. With personalization of customer experience, faster service to customers throughout the lifecycle, and contextual customer engagement for greater loyalty becoming important differentiating factors, the need for our solutions is growing exponentially. Riding on good customer references gained in the domestic markets we plan to aggressively pursue opportunities in the global markets for our customer engagement solutions. Our annuity revenue from existing customers is growing steadily indicating the success of our strategy to farm accounts. Beginning next year our operational expenses will be taken care of by the annuity revenue and new deals can be used to expand our presence in the global markets.

#### 4. Change in the nature of business

During the year the company has not changed its business.

#### 5. Dividend

In order to conserve its financial resources to meet its growth plan, Your Board could not recommend any dividend for the year under review.

#### 6. Reserves

The Company has not proposed for transfer any amount to Reserves during the financial year and proposes to retain ₹ 359,712,487/- in the Profit and Loss Account.

#### 7. Finance

Cash and cash equivalents as at March 31st 2017 were ₹ 202,084,631/-. The company continues to focus on judicious management of its working capital, receivables, and inventories. Other working capital parameters were kept under strict check through continuous monitoring.

#### 8. Share Capital

During the year, your Company has issued shares on exercise of Employee Stock Options.

ESOP Scheme	No. of options exercised	Allotted
Intense ESOP Scheme A 2009	427977	427977
<b>Total</b>	<b>427977</b>	<b>427977</b>

#### 9. Directors and Key Managerial Personnel

In accordance with the Companies Act, 2013 and the rules made thereunder and the Articles of Association of the Company, Mr. Tikam Sujan, retires by rotation and being eligible, offers himself for reappointment.

#### 10. Meetings

During the year, 10 (Ten) Board Meetings and 4(Four) Audit Committee Meetings were convened and held. The details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. A calendar of meetings is prepared and circulated in advance to all the Directors.

#### 11. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### 12. Declaration by an Independent Director(s) and re- appointment, if any

The Independent Director(s) have submitted the declaration of independence pursuant to section 149(7) of the Act stating that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 17(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that there is no change in their status of independence.



### 13. Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for appointment and remuneration of Directors, Key Managerial Personnel and other employees including criteria for determining qualifications, positive attributes and Director's independence. The Remuneration Policy is stated in the Corporate Governance Report.

#### Managerial Remuneration:

- A) Details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration to Directors:	Particulars	2016-17 (₹)	% on Total salaries
(a) Managing Director	Salary and Perquisites	6,800,000	2.19%
(b) Whole Time Director	Salary and Perquisites	6,800,000	2.19%

- B) Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure - III**
- C) No director is in receipt of any commission from the company and the Managing Director/ Whole-time Director of the Company have not received any remuneration or commission from any other Company subject to its disclosure by the Company in the Board's Report.

### 14. Details of Subsidiary/Joint Ventures/Associate Companies

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as **Annexure - IV** [Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement].

The Company has three Wholly Owned Subsidiary Company (WOS):

- (1) "Intense Technologies FZE", in Hamriyah Free Zone, Hamriyah, United Arab Emirates (U.A.E).
- (2) "Intense Technologies INC", in Miami, Florida, United States of America (USA).
- (3) "Intense Technologies UK Limited", in 200 Brook Drive, Green Park Reading RG2 6UB, United Kingdom (UK).

#### The Company has one Branch:

Intense Technologies Ltd (Branch office Singapore) in 10, Anson Road # 24-09, International Plaza, Singapore – 079903.

There were no commercial operations in Intense Technologies UK Limited during the financial year 2016-17.

Further, the Annual Accounts and related documents of the subsidiary company shall be kept open for inspection at the Registered & Corporate Office of the Company. The Company will also make available copy thereof upon specific request by any Member of the Company interested in obtaining the same. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiary.

### 15. Statutory Auditors

M/s Srinivas P. & Associates, Chartered Accountants, Independent Auditors of the Company were appointed in the Annual General Meeting held on 29th September, 2014 for a period of three years till the conclusion of the ensuing AGM i.e. the Twenty Seventh Annual General Meeting.

The Board of Directors on the recommendation of the Audit Committee have approved the appointment of M/s. M V Narayana Reddy & Co., Chartered Accountants as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting for a period of five consecutive years, subject to ratification by the members at every Annual General Meeting.

The Board recommends the appointment of M/s. M V Narayana Reddy & Co., Chartered Accountants as the Statutory Auditors of the Company.

## 16. Auditors' Report

The Auditors' Report does not contain any qualification.

Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

## 17. Disclosure about Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company for the financial year 2016-17.

## 18. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the rules made thereunder, the Company has appointed Puttaparthi Jagannatham & Co., Practicing Company Secretaries, a firm of Company Secretaries to undertake the secretarial audit of the Company. The Secretarial Audit Report given by Puttaparthi Jagannatham and Co., Company Secretaries is annexed with the report. The self explanatory statement on CSR expenditure and Secretarial Audit has been mentioned at the relevant paragraphs. The Secretarial Auditor's report is self-explanatory and do not call for any further comments and is enclosed as **Annexure – V**

The Board has appointed M/s. Puttaparthi Jagannatham & Co., Practicing Company Secretaries, as Secretarial Auditor of the Company for the Financial Year 2017-18 as per the provisions of the Companies Act, 2013 and Rules made thereof and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

## 19. Internal Audit Controls and their adequacy

The Company has an internal control system, commensurate with the size scale and complexity of its operations. The scope and authority of the Internal Audit Function is defined in the Internal Audit Manual. To maintain its objectivity and independence the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman and Managing Director.

The internal Audit department monitors and evaluates the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit functions, process owner undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the audit committee of the Board.

## 20. Adequacy of internal financial controls with reference to the financial statements

The company has internal Auditors and the Audit Committee constituted is in place to take care of the same. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## 21. Issue of Employee Stock Options (ESOP's)

Employees Stock Option Plan as required under SEBI (Share based Employee Benefits) Regulations, 2014 the disclosures of the Employees Stock Option Plan 2005, Stock Option Plan A 2007 and Stock Option Plan A 2009 which are in force are given in **Annexure –VI**.

## 22. Whistle Blower Policy

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Whistle Blower Policy for Directors and employees to report genuine concerns has been established. The Whistle Blower Policy has been uploaded on the website of the Company at [www.in10stech.com](http://www.in10stech.com).

## 23. Risk Management And Insurance

The Company has established Risk Management Process to manage risks with the objective of maximizing shareholders value.

All the properties of your Company have been adequately insured. Your Company continuously monitors business and operational risk through business process, re-engineering and reviewing areas such as production, finance, legal and other issues. An exhaustive exercise is underway to bring a model regulating risk management mechanism. Your Company's assets are adequately insured against the risk from fire and earthquake.

## 24. Extract of Annual Return

As per Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return is annexed as **Annexure - I**

## 25. Material changes and commitments

There has been a stand off on payment for the implementation services rendered in respect of a manged services deal, which we hope will settle down soon.

## 26. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No such orders were passed against the Company

## 27. Deposits

The company has not accepted any fixed deposits from the public.

## 28. Particulars of loans, guarantees or investments under Section 186

(i) Details of loans and advances, investments in subsidiary companies:

Particulars	Loans and Advances (₹)	Investments (₹)
Intense Technologies FZE	27,108,376	395,750
Intense Technologies U.K. Limited	90,483,749	10,216
Intense Technologies INC	67,446,441	6,157,250
<b>Total</b>	<b>185,038,566</b>	<b>6,563,216</b>

Related party disclosures are given under notes to Financial Statements in this report.

The cost on investments in Equity Shares of other listed entities aggregates to ₹ 37,343/- The aggregate market value of these equity shares as on 31st March, 2017 is ₹ 106,068/-

(ii) Details of Guarantee / Security Provided

Sl.No	Date of providing security/ guarantee	Details of recipient	Amount (₹)	Purpose for which the security/ guarantee is proposed to be utilized by the recipient
1	09-Jun-16	BSNL, Delhi	37,500,000	Performance Bank Guarantee
2	11-Aug-16	Millennium Telecom Ltd	1,500,000	Performance Bank Guarantee
3	15-Sep-16	CGM,ITPC BSNL, Pune	45,000,000	Performance Bank Guarantee
4	31-Dec-16	CGM,ITPC BSNL, Pune	105,000,000	Performance Bank Guarantee
		<b>Total</b>	<b>189,000,000</b>	

## 29. Particulars of contracts or arrangements with related parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. All related party transactions were placed in the meetings of Audit committee and the Board of Directors for their necessary review and approval.

There have been no material related party transactions undertaken by the Company under Section 188 of the Companies Act, 2013 and hence, no details have been enclosed pursuant to clause (h) of subsection (3) of Section 134 of Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014 - 'AOC-2'."

## 30. Corporate Governance

A Report on Corporate Governance, forming part of this report, together with the Compliance certificate from the auditors regarding compliance of conditions of Corporate Governance as stipulated in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with the report as **Annexure - VIII**

## 31. Management Discussion and Analysis

A report on Management Discussion & Analysis for the year under review, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is provided in a separate section forming part of this Annual Report and is enclosed as **Annexure - VII**.

## 32. Statutory Disclosures

In terms of the provisions of the Companies Act, 2013 and other applicable regulations read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the **Annexure - III** to the Directors' Report. However, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

## 33. Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent Sexual Harassment of Women at Workplace a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The company has constituted "Internal Complaints Committee" as required under section 4 (1) of Sexual harassment of women at work place (prevention, prohibition and redressal) Act, 2013.

This committee consists of following members:

Ms. Sushma Vaddagiri

Ms. G. Sushma

Ms. H. C. Madhavi

During the year under review, no complaint of harassment at the workplace was received by the Committee.

## 34. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars as prescribed under Sub Section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given below:

### A. Conservation of Energy:

The Company's core activity is information technology and services related which is not power intensive. The Company is making every effort to conserve the usage of power



## B. Technology Absorption (R&D, Adaptation and Innovation):

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

- i) Continuous research to upgrade existing products and to develop new products and services.
- ii) To enhance its capability and customer service the company continues to carry out R & D activities in house.

2. Benefits derived as a result of the above efforts:

- i) Introduction of new and qualitative products.
- ii) Upgrade of existing products.

3. Future plan of action:

Intense will continue to invest in and adopt the best processes and methodologies suited to its line of business and long-term strategy. Training employees in the latest appropriate technologies will remain a focus area. The Company will continue to leverage new technologies and also on the expertise available.

## C. Foreign Exchange Earnings & Outgo:

The details of Foreign Exchange earnings and outgo are given below:

(₹ in Lakhs)

	2016-17	2015-16
<b>1 Foreign Exchange Earnings</b>		
FOB Value of Goods exported	2215.82	1938.16
<b>2 Foreign Exchange Outgo</b>		
Travel Expenses	113.68	197.07
Other expenditure incurred	35.50	60.46
Transferred for Singapore Branch Expenses	176.22	156.57
Transferred to Subsidiaries	766.31	643.02

## 35. Corporate Social Responsibility (CSR)

As per Section 135(1) of the Companies Act, 2013 the provisions of Corporate Social Responsibility are applicable to the Company. The Company has constituted the CSR committee as per the CSR Policy Rules and has identified the Education, Health, Environment, Rural Development and Disaster Relief, if any as the focus areas for CSR activities.

The Company could not spend all the earmarked money because of the problems in identifying the better areas and beneficiaries as per its approved CSR Policy.

The Disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed with this report as **Annexure - II**

## 36. Human Resources

Your Company treats its "Human Resources" as one of its most important assets.

Your Company continuously invests in attracting, retaining and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company's thrust is on the promotion of talent internally through job rotation and job enlargement.

## 37. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013, state that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **38. Transfer of Amounts to Investor Education and Protection Fund**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **39. Listing with Stock Exchanges**

At present the equity shares of the Company are listed on the Bombay Stock Exchange (BSE) Mumbai, and National Stock Exchange of India Limited (NSE), Mumbai. The Company's equity shares are listed with National Stock Exchange of India Limited (NSE), Mumbai, w.e.f March 23, 2017. The Company confirms that it has paid Annual Listing Fees due to both the Exchanges for the year 2017-18.

### **40. Policies**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated all the required policies as mandated. And all the policies are available on our website (<http://in10stech.com/investors/company-overview#investor>)

### **41. Depository System**

As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is INE781A01025.

### **42. Acknowledgements**

Your Directors' convey their sincere thanks to State Bank of Hyderabad, HDFC Bank Ltd, Axis Bank Ltd and shareholders for their continued support. Your Directors' place on record, appreciation of the contribution made by the employees at all levels and looks forward to their continued support.

For and on behalf of the Board

Place: Secunderabad  
Date: 16<sup>th</sup> August, 2017

**C. K. Shastri**  
Chairman & Managing Director  
DIN: 00329398

**Jayant Dwarkanath**  
Whole Time Director  
DIN: 00329597

## ANNEXURE I - EXTRACT OF ANNUAL RETURN

FORM NO. MGT 9

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

### I. Registration And Other Details:

Corporate Identity Number (CIN):	L30007TG1990PLC011510
Registration Date	24/07/1990
Category/ Sub-Category of the Company	Company limited by shares / Non-Government Company
Address of the Registered office and contact details	A1, Vikrampuri, Secunderabad - 500009, Telangana, India Tel: 91 40 44558585 Fax: 91 40 27819040 Email: tejaswi@intense.in Website: www.in10stech.com
Listed Company (Yes/No)	Yes
Name, address and contact details of Registrar and Transfer agent	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel: 91 40 67162222 Email: einward.ris@karvy.com

### II. Principal Business Activities Of The Company

Sl.No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Computer programming, consultancy and related activities	620	100

### III. Particulars Of Holding, Subsidiary And Associate Companies

Sl. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of holding	Applicable section
1	Intense technologies FZE	-	Subsidiary Company	100	Section 2 (87)
2	Intense Technologies INC	-	Subsidiary Company	100	Section 2 (87)
3	Intense Technologies UK Limited	-	Subsidiary Company	100	Section 2 (87)

#### IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4084119	0	4084119	18.82	4084119	0	4084119	18.46	-0.36
b) Central Govt/State Govt(s)	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(1):-</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.82</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>-0.36</b>
<b>(2) Foreign</b>									
a) Individuals(Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter s(A)=(A)(1)+(A)(2)</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.82</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>-0.36</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
c) Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance companies	0	0	0	0	0	0	0	0	0
f) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
h) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
i) Any Other (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate	4122209	3600	4125809	19.02	2392106	3600	2395706	10.83	-8.19
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	6175594	148941	6324535	29.15	7700888	573918	8274806	37.40	8.25



(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	5955925	0	5955925	27.45	6116686	0	6116686	27.65	0.20
c) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
d) Any other									
Clearing Members	4289	0	4289	0.02	89937	0	89937	0.41	0.39
Non Resident Indians	1192407	0	1192407	5.50	972554	0	972554	4.40	-1.10
NRI Non-Repatriation	0	0	0	0	127253	0	127253	0.58	0.58
Trusts	0	0	0	0	1000	0	1000	0	0
NBFCs	9000	0	9000	0.04	62000	0	62000	0.28	-0.24
<b>Sub-total (B)(2):-</b>	<b>17459424</b>	<b>152541</b>	<b>17611965</b>	<b>81.18</b>	<b>17462424</b>	<b>577518</b>	<b>18039942</b>	<b>81.54</b>	<b>-0.36</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>17459424</b>	<b>152541</b>	<b>17611965</b>	<b>81.18</b>	<b>17462424</b>	<b>577518</b>	<b>18039942</b>	<b>81.54</b>	<b>-0.36</b>
<b>C. Share held by Custodians, against which Depository Receipts have been issued</b>									
(1) Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2) Public	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>21543543</b>	<b>152541</b>	<b>21696084</b>	<b>100</b>	<b>21546543</b>	<b>577518</b>	<b>22124061</b>	<b>100</b>	<b>-</b>

## (ii) Shareholding of Promoter-

SI.No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	C.K.Shastrri	1714792	7.90	0	1714792	7.75	0	-0.15
2	Chidella Uma Maheswari	93525	0.43	0	93525	0.42	0	-0.01
3	Tikam Sujan	2275802	10.49		2275802	10.29	0	-0.20
	<b>Total</b>	<b>4084119</b>	<b>18.82</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>0</b>	<b>-0.36</b>

Note: The decrease in percentage of total shareholding of promoters is due to increase in paid-up equity share capital of the company on allotment of equity shares to employees under Employee Stock Option Scheme (ESOP).

**(iii) Change in Promoters' Shareholding** – There is no change in the Promoter's Shareholding and the details are given below:

SI.No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>C. K. SHASTRI</b>				
	At the beginning of the year	1714792	7.90	1714792	7.90
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	1714792	7.75	1714792	7.75

<b>2</b>	<b>CHIDELLA UMA MAHESWARI</b>				
	At the beginning of the year	93525	0.43	93525	0.43
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	93525	0.42	93525	0.42
<b>3</b>	<b>TIKAM SUJAN</b>				
	At the beginning of the year	2275802	10.49	2275802	10.49
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2275802	10.29	2275802	10.29

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>ISON INFOTEL PVT LTD</b>					
	At the beginning	31/03/2016	581864	2.68	581864	2.68
	Sale	18/11/2016	2	0	581862	2.68
	Sale	25/11/2016	2000	0.009218253	579862	2.67
	Sale	02/12/2016	17999	0.082959671	561863	2.59
	Sale	16/12/2016	25000	0.115228167	536863	2.47
	Sale	06/01/2017	38643	0.178110483	498220	2.30
	Sale	13/01/2017	65000	0.299593235	433220	2.00
	Sale	20/01/2017	30000	0.138273801	403220	1.86
	Sale	03/02/2017	60000	0.276547602	343220	1.58
	Sale	10/02/2017	20000	0.092182534	323220	1.49
	At the end of the year	31/03/2017			323220	1.46
<b>2</b>	<b>ANITA SARIN</b>					
	At the beginning	31/03/2016	570944	2.63	570944	2.63
	At the end of the year	31/03/2017			570944	2.58
<b>3</b>	<b>GLOBE DERIVATIVES &amp; SECURITIES LIMITED</b>					
	At the beginning	31/03/2016	533867	2.46	533867	2.46
	Sale	20/05/2016	4424	0.020390777	529443	2.44
	Sale	27/05/2016	16464	0.075884662	512979	2.36
	Sale	10/06/2016	37041	0.170726662	475938	2.19
	Sale	17/06/2016	289	0.001332038	475649	2.19

	Sale	24/06/2016	36972	0.170408632	438677	2.02
	Sale	30/06/2016	115992	0.534621824	322685	1.49
	Sale	01/07/2016	1076	0.00495942	321609	1.48
	Sale	08/07/2016	500	0.002304563	321109	1.48
	Sale	15/07/2016	21109	0.097294055	300000	1.38
	Sale	18/11/2016	1142	0.005263623	298858	1.38
	Sale	25/11/2016	42314	0.195030587	256544	1.18
	Sale	02/12/2016	31544	0.145390293	225000	1.04
	Sale	09/12/2016	55167	0.254271693	169833	0.78
	Sale	20/01/2017	10100	0.04655218	159733	0.74
	At the end of the year	31/03/2017			159733	0.72
<b>4</b>	<b>GLOBE CAPITAL MARKETS LTD</b>					
	At the beginning	31/03/2016	527231	2.43	527231	2.43
	Purchase	15/04/2016	1100	0.005070039	528331	2.44
	Sale	13/05/2016	435	0.00200497	527896	2.43
	Sale	20/05/2016	279	0.001285946	527617	2.43
	Sale	27/05/2016	2846	0.013117575	524771	2.42
	Sale	24/06/2016	500000	2.304563349	24771	0.11
	Purchase	26/08/2016	100	0.000460913	24871	0.11
	Purchase	02/09/2016	50	0.000230456	24921	0.11
	Sale	09/09/2016	150	0.000691369	24771	0.11
	Purchase	30/09/2016	15200	0.070058726	39971	0.18
	Sale	14/10/2016	1100	0.005070039	38871	0.18
	Sale	21/10/2016	200	0.000921825	38671	0.18
	Purchase	28/10/2016	2500	0.011522817	41171	0.19
	Sale	04/11/2016	495	0.002281518	40676	0.19
	Purchase	18/11/2016	2150	0.009909622	42826	0.20
	Sale	25/11/2016	25	0.000115228	42801	0.20
	Sale	02/12/2016	16125	0.074322168	26676	0.12
	Purchase	09/12/2016	15750	0.072593745	42426	0.20
	Sale	16/12/2016	9200	0.042403966	33226	0.15
	Purchase	23/12/2016	650	0.002995932	33876	0.16
	Purchase	30/12/2016	75	0.000345685	33951	0.16
	Purchase	06/01/2017	3279	0.015113326	37230	0.17
	Sale	06/01/2017	700	0.003226389	36530	0.17
	Purchase	13/01/2017	2650	0.012214186	39180	0.18
	Sale	13/01/2017	10500	0.04839583	28680	0.13
	Purchase	20/01/2017	2250	0.010370535	30930	0.14
	Sale	27/01/2017	1900	0.008757341	29030	0.13

	Purchase	03/02/2017	2295	0.010577946	31325	0.14
	Sale	10/02/2017	4100	0.018897419	27225	0.13
	Purchase	17/02/2017	1200	0.005530952	28425	0.13
	Purchase	24/02/2017	700	0.003226389	29125	0.13
	Sale	24/02/2017	25500	0.117532731	3625	0.02
	Purchase	03/03/2017	2054	0.009467146	5679	0.03
	Purchase	10/03/2017	46	0.000207918	5725	0.03
	Purchase	17/03/2017	300	0.001355599	6025	0.03
	Purchase	24/03/2017	24900	0.112547149	30925	0.14
	Sale	24/03/2017	1000	0.004519966	29925	0.14
	Sale	31/03/2017	5050	0.022825828	24875	0.11
	At the end of the year	31/03/2017			25975	0.12
<b>5</b>	<b>ANIL SARIN</b>					
	At the beginning	31/03/2016	517075	2.38	517075	2.38
	At the end of the year	31/03/2017			517075	2.34
<b>6</b>	<b>SATPAL KHATTAR</b>					
	At the beginning	31/03/2016	497558	2.29	497558	2.29
	Sale	03/03/2017	60541	0.279041139	437017	2.01
	Sale	10/03/2017	44805	0.20251707	392212	1.81
	At the end of the year	31/03/2017			392212	1.77
<b>7</b>	<b>UNO METALS LTD</b>					
	At the beginning	31/03/2016	460000	2.12	460000	2.12
	Sale	11/11/2016	183800	0.847157487	276200	1.27
	Sale	02/12/2016	4200	0.019358332	272000	1.25
	Sale	30/12/2016	270000	1.244464208	2000	0.01
	At the end of the year	31/03/2017			2000	0.01
<b>8</b>	<b>AKG FINVEST LTD</b>					
	At the beginning	31/03/2016	459599	2.12	459599	2.12
	Purchase	15/04/2016	401	0.00184826	460000	2.12
	Purchase	22/04/2016	1969	0.00907537	461969	2.13
	Purchase	29/04/2016	5044	0.023248435	467013	2.15
	Purchase	06/05/2016	29396	0.135489888	496409	2.29
	Purchase	03/06/2016	43591	0.200916442	540000	2.49
	Sale	02/12/2016	251068	1.157204222	288932	1.33
	Sale	09/12/2016	65807	0.303312801	223125	1.03
	Sale	16/12/2016	90194	0.415715573	132931	0.61
	Sale	30/12/2016	132931	0.612695821	0	0.00
	At the end of the year	31/03/2017			0	0.00
<b>9</b>	<b>RAJENDRA Y SHAH</b>					

	At the beginning	31/03/2016	343500	1.58	343500	1.58
	Sale	13/05/2016	3000	0.01382738	340500	1.57
	Sale	20/05/2016	2000	0.009218253	338500	1.56
	Sale	27/05/2016	1000	0.004609127	337500	1.56
	Sale	26/08/2016	1000	0.004609127	336500	1.55
	Sale	16/12/2016	22500	0.103705351	314000	1.45
	Sale	30/12/2016	1000	0.004609127	313000	1.44
	Sale	06/01/2017	19500	0.089877971	293500	1.35
	Sale	20/01/2017	19500	0.089877971	274000	1.26
	Sale	03/02/2017	6000	0.02765476	268000	1.24
	Sale	10/02/2017	26500	0.122141857	241500	1.11
	Sale	17/02/2017	37500	0.172842251	204000	0.94
	Sale	03/03/2017	2000	0.009218253	202000	0.93
	Sale	17/03/2017	3000	0.013559898	199000	0.92
	At the end of the year	31/03/2017			199000	0.9
<b>10</b>	<b>UTSAV PRAMODKUMAR SHRIVASTAV .</b>					
	At the beginning	31/03/2016	60000	0.28	60000	0.28
	Purchase	06/05/2016	11000	0.050700394	71000	0.33
	Purchase	20/05/2016	4000	0.018436507	75000	0.35
	Purchase	10/06/2016	15000	0.0691369	90000	0.41
	Purchase	17/06/2016	2550	0.011753273	92550	0.43
	Purchase	30/06/2016	7450	0.034337994	100000	0.46
	Purchase	22/07/2016	2800	0.012905555	102800	0.47
	Purchase	05/08/2016	300	0.001382738	103100	0.48
	Purchase	19/08/2016	5400	0.024889284	108500	0.50
	Purchase	26/08/2016	10500	0.04839583	119000	0.55
	Purchase	02/09/2016	11000	0.050700394	130000	0.60
	Purchase	09/09/2016	400	0.001843651	130400	0.60
	Purchase	14/10/2016	9600	0.044247616	140000	0.65
	Purchase	21/10/2016	30000	0.138273801	170000	0.78
	Purchase	28/10/2016	10700	0.049317656	180700	0.83
	Purchase	04/11/2016	19300	0.088956145	200000	0.92
	Purchase	18/11/2016	20500	0.094487097	220500	1.02
	Purchase	13/01/2017	1722	0.007936916	222222	1.02
	Sale	20/01/2017	-111111	-0.512124677	111111	0.51
	Purchase	17/02/2017	300	0.001382738	111411	0.51
	Purchase	24/02/2017	10000	0.046091267	121411	0.56
	Purchase	10/03/2017	17071	0.077160337	138482	0.64
	Purchase	31/03/2017	101518	0.458857892	240000	1.11
	At the end of the year	31/03/2017			240000	1.08



**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl.No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>C. K. SHASTRI</b>				
	At the beginning of the year	1714792	7.90	1714792	7.90
	Sale/ Purchase of Shares	-	-	-	-
	At the end of the year	1714792	7.75	1714792	7.75
<b>2</b>	<b>JAYANT DWARKANATH</b>				
	At the beginning of the year	1285635	5.93	1285635	5.93
	Sale/ Purchase of Shares	-	-	-	-
	At the end of the year	1285635	5.81	1285635	5.81
<b>3</b>	<b>TIKAM SUJAN</b>				
	At the beginning of the year	2275802	10.49	2275802	10.49
	Sale/ Purchase of Shares	-	-	-	-
	At the end of the year on 31/03/2015	2275802	10.29	2275802	10.29
<b>4</b>	<b>SARADA DEVI VEMURI</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>5</b>	<b>PAVAN KUMAR PULAVARTY</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>6</b>	<b>SRIVATH SHANKER RAO KANDUKURI</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>7</b>	<b>SIVA RAMA MALLICK VADLAMANI</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-

	At the end of the year	-	-	-	-
<b>8</b>	<b>H. MADHUKAR NAYAK</b>				
	At the beginning of the year	72250	0.33	72250	0.33
	14,000 Equity shares were allotted on conversion of stock options on 06/03/2017	14000	0.06	86250	0.39
	At the end of the year	86250	0.39	86250	0.39
<b>9</b>	<b>K. TEJASWI</b>				
	At the beginning of the year	-	-	-	-
	1125 Equity shares were allotted on conversion of stock options on 06/03/2017	1125	0	1125	0
	At the end of the year	1125	0	1125	0

## V. INDEBTEDNESS

The Company has availed overdraft facility during the year from Axis Bank.

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	0	0	0	0
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
* Addition	23,866,977	0	0	23,866,977
* Reduction	0	0	0	0
<b>Net Change</b>	23,866,977	0	0	23,866,977
<b>Indebtedness at the end of the financial year</b>	23,866,977	0	0	23,866,977
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>23,866,977</b>			<b>23,866,977</b>

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Amount in ₹)

Sl.No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MD	WTD	
1	Gross salary (₹)	52,00,000	52,00,000	104,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	---
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16,00,000	16,00,000	32,00,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---	---	---
2	Stock Options	---	---	---
3	Sweat Equity	---	---	---
4	Commission - as % of profit - others, specify...	---	---	---
5	Others, please specify	---	---	---
	<b>Total</b>	<b>68,00,000</b>	<b>68,00,000</b>	<b>136,00,000</b>

The remuneration is within the limits as approved by the Shareholders by way of a Special Resolution.

**B. Remuneration to other Directors** - No remuneration is paid to any other directors, except Mr. K.S. Shanker Rao who was paid as amount of ₹ 1,25,000/- during the year 2016-17.

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lakhs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1	Gross salary	26.84	7.20	34.04
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	---
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2	Stock Options converted into equity shares CFO - 14000; CS - 1125	---	---	---
3	Sweat Equity	---	---	---
4	Commission	---	---	---
	- as % of profit	---	---	---
	others, specify...	---	---	---
5	Others, please specify	---	---	---
	<b>Total</b>	<b>26.84</b>	<b>7.20</b>	<b>34.04</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

The company has complied with all the requirements of the Listing Agreement / Listing Regulations with the Stock Exchange as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any other Statutory Authorities on matters relating to the capital markets for the year covered under this report.

## ANNEXURE - II

### Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes undertaken / proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. (Web link: [www.in10stech.com](http://www.in10stech.com)). The primary focus areas are:

- Education – To provide education and skill development to rural youth.
- Health – To provide health care, medication, safe drinking water to underprivileged sections of the society.
- Environment – To promote a clean and green environment.
- Rural Development – To adopt schools and distribute books to students in schools in rural areas.

#### 2. Corporate Social Responsibility Committee

Chairman : Mrs. V. Sarada Devi

Member : Mr. V.S. Mallick

Member : Mr. K. S. Shanker Rao

3. Average Net profit for the preceding three Financial Years for the purpose of computation of CSR : ₹ 6.23 Crores.

4. Prescribed CSR expenditure (2% of Average Net Profit) : ₹ 12,46,587/-

5. Details of CSR spend for the financial year:

- Total amount spent during the financial year 2016-17: ₹ 20,000/-
- Amount unspent, if any: ₹ 8,86,939/-
- Manner in which the amount spent during the financial year is detailed below:

Sl. No	CSR Projects or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Amount spent on the projects Sub heads: (1) Direct expenditure on projects or programs (2) Overheads (₹)	Cumulative expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Contribution to Medical	Medical Assistance	Hyderabad	-	20,000/-	3,06,261/-	Direct

6. The Company could not spend the earmarked money because of the problems in identifying the areas and beneficiaries and the amount on CSR expenditure is proposed to be spent during the current year and the next years.

7. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

Place: Secunderabad  
Date: 16<sup>th</sup> August, 2017

**C. K. Shastri**  
Managing Director

**V. Sarada Devi**  
Chairman of the Committee

## ANNEXURE - III Particulars of Employees

### a) Information as per Rule 5(1) of Chapter XIII, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company is an Enterprise of Software products and related activities Company. The remuneration and perquisites provided to our employees are at par with industry standards. Keeping in view, the business objectives of the Company and to match the compensation with IT industry, the nomination and remuneration committee continuously reviews the compensation of CEO and senior executives of the Company. Permanent employees on the rolls of the Company as on 31.03.2017 were 460.

#### Remuneration paid to whole time Directors

(₹ In lakhs)

Name of the Director	Title	2017	2016	% of increase	Ratio of remuneration to MRE	Ratio of remuneration to MRE and WTD
Jayant Dwarkanath	Whole time Director	68.00	58.00	17.24	18.85	18.85

#### Remuneration paid to Independent Directors

(₹ In lakhs)

Name of the Director	2017	2016	% of increase
Nil	Nil	Nil	Nil

#### Remuneration of other Key Managerial Personnel

(₹ In lakhs)

Name of the Key Managerial Personnel	Title	2017	2016	% of increase	Ratio of remuneration to MRE (excluding WTD)	Ratio of remuneration to MRE and WTD (excluding WTD)
H.M. Nayak	Head - Finance	26.84	25.75	4.24	7.44	7.44
K. Tejaswi	Company Secretary and Compliance Officer	7.20	1.20	N.A	2.00	2.00



**b) Information as per Rule 5(2) of Chapter XIII, The Companies (Appointment and remuneration of Managerial personnel) Rules, 2014**

Sl.No.	Name	Designation/ Nature of Duties	Remuneration Received P.A (₹)	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held
1	2	3	4	5	6	7	8	9
i	C.K.Shastri	Chairman & Managing Director	68,00,000/-	B.Com., PG DBM	36	58	1990	Xerox Modi Corporation Limited, India
ii	Jayant Dwarkanath	Whole Time Director	68,00,000/-	BE, M.B.A	30	52	1999	Australia and New Zealand Banking Group Limited (ANZ), India

Note: Remuneration as shown above comprises of Salary, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Superannuation Fund.

For and on behalf of the Board

Place: Secunderabad  
Date: 16<sup>th</sup> August, 2017

**C. K. Shastri**  
Chairman & Managing Director

**Jayant Dwarkanath**  
Whole Time Director

## ANNEXURE - IV

Statement Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed FORM AOC - 1 relating to Subsidiary, Associate and Jointly Controlled Companies

(Amount in ₹)

Particulars	Intense Technologies FZE	Intense Technologies INC	Intense Technologies UK Limited
Issued & Subscribed Capital	441,475	6,486,000	8,129
Profit/(Loss) Account	(48,422,885)	(69,725,019)	(79,735,816)
Total Assets	39,293,977	7,193,752	1,190,086
Total Liabilities	39,293,977	7,193,752	1,190,086
Investments	-	-	-
Turnover	38,381,289	18,485,100	-
Profit/(Loss) before Tax	(23,183,671)	(23,170,586)	36,269,322
Provision for Tax	-	-	-
Profit/(Loss) After Tax	(23,183,671)	(23,170,586)	36,269,322
Proposed Dividend	-	-	-

For and on behalf of the Board

Place: Secunderabad  
Date: 16<sup>th</sup> August, 2017

**C. K. Shastri**  
Chairman & Managing Director

**Jayant Dwarkanath**  
Whole Time Director

**ANNEXURE - V**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31<sup>st</sup> 2017**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

**To**  
**The Members of Intense Technologies Limited**  
**A1, Vikrampur,**  
**Secunderabad - 500009.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Intense Technologies Limited (hereinafter called the Company) Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Share Based Employee Benefits) Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other Specifically applicable laws to the Company:
  - Information Technology Act, 2000
  - The Special Economic Zones Act, 2005
  - Software Technology Parks of India Rules and Regulations
  - Indian Copyrights Act, 1957
  - The Trademarks Act, 1999
  - The Patents Act, 1970

We have also examined compliance with the applicable clauses of the following:

- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

- Based on the information provided by the Company, its officers and its authorised representatives during the conduct of the audit and also on review of quarterly reports by respective Department Heads/Company Secretary/ CEO taken on record by the Board of Directors of the Company, adequate systems and processes and control mechanism exist in the company to monitor and ensure the compliance of with the applicable general laws like labour laws, competition law and environment laws.
- The Compliance by the Company of applicable financial laws like direct and indirect laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that**

The Prescribed CSR expenditure of 2% of average net profit of the last three years has not been spent by the company.

**We further report that**

- there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

**For Puttaparthi Jagannatham & Co.**

**Rama Bandaru**  
Practicing Company Secretary  
COP No: 7739  
ACS NO: 19456

**Place: Hyderabad**  
**Date: 16<sup>th</sup> August, 2017**

\*This report is to be read with our letter with given date which is annexed as 'Annexure A' and forms an integral part of this report.

## **‘ANNEXURE A’**

**To**  
**The Members of Intense Technologies Limited**  
**A1, Vikrampur,**  
**Secunderabad - 500009.**

Our report with given date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Puttaparthi Jagannatham & Co.**

**Place: Hyderabad**  
**Date: 16<sup>th</sup> August, 2017**

**Rama Bandaru**  
**Practicing Company Secretary**  
**COP No: 7739**  
**ACS NO: 19456**



## ANNEXURE - VI

### **Disclosures pursuant to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.**

During the year under report the following Employees Stock Option Plans are in operation for issue and grant of stock options to its employees and Directors in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

1. Fortune Employees Stock Option Plan 2005;
2. Intense Employees Stock Option Plan - A 2007;
3. Intense Employee Stock Option Plan Scheme - A 2009 and

The requisite disclosures of particulars with respect to these schemes during the year 2016-17 are as under:

#### **1. Fortune Employees Stock Option Plan 2005:**

- a. Number of options approved by the shareholders - 30,00,000.
- b. Number of options granted – 29,17,000
- c. Number of options vested and exercised upto 31.03.2017 – 22,59,200
- d. Pricing Formula: Exercise price of ₹ 2/- per share.

#### **2. Intense Employees Stock Option Plan A 2007:**

- a. Number of options approved by the shareholders - 5,00,000.
- b. Pricing Formula: Exercise price for the options to be granted under this plan is the price determined by the Board in accordance with SEBI Guidelines i.e. Price prevailing on the date of grant.
- c. Number of options granted up to 31.03.2017: 4,50,000.
- d. Options not yet granted: 50,000

#### **3. Intense Employee Stock Option Plan Scheme A 2009:**

- a. Number of options approved by the shareholders 20,00,000.
- b. Pricing Formula: Exercise price of ₹ 2/- per share.
- c. Number of options granted: 10,31,000.
  - Options granted on 28.11.2013: 10,06,000
  - Options granted on 19.08.2014: 25,000
- d. Number of options vested and exercised upto 31.03.2017 – 630779

### **In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.**

- (i). The excess of the closing market price on the grant date of the Stock Options over the exercise price is amortized on a straight-line basis over the vesting period.
- (ii). During the years ended March 31, 2017 and March 31, 2016, the Company recorded an employee compensation expense of ₹ 22.63 lakhs and ₹ 22.63 lakhs respectively in the statement of Profit & Loss respectively. The employee compensation expense of ₹ 22,63,500 has been debited to the Profit & Loss account which is the

difference between the exercise price and the fair market value of the shares computed in terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and had this not been debited to Profit & Loss account, the profit would have been more by the said amount and the consequent impact upon Earning per Share (EPS).

- (iii). The basic / diluted EPS was ₹ 6.23 / ₹ 6.16 (Standalone) and (₹ 2.49) / (₹ 2.46) (Consolidated) respectively.
- (iv). During the financial year 2016-17 the option holders had exercised 4,27,977 vested stock options at a price of ₹ 2.00 per equity share.

For and on behalf of the Board

Place: Secunderabad  
Date: 16<sup>th</sup> August, 2017

**C. K. Shastri**  
Chairman & Managing Director

**Jayant Dwarkanath**  
Whole Time Director

# **MANAGEMENT DISCUSSION AND ANALYSIS**

**WE ARE IN GROWTH MODE**

**New deals, increase in  
annuity revenue and launch  
of UniServe™ NXT platform**

## Overview:

Good financial year 2016-17 for Intense Technologies with revenues standing at 70.18 crores INR. Following are the highlights:

### Steady Flow of Deals:

- Leading private bank in India went live with our new HTML 5 based responsive and interactive e-statements for digital customer empowerment
- We are now market leaders in Insurance vertical along with telecom in India with most leading insurance companies implementing our solution to deliver personalized customer communications, reduce delivery timelines and reduce operations expenses.

- World's fastest growing 4G telecom operator is using our customer onboarding applications and achieved a milestone of onboarding 100 million customers in 170 days
- The same operator also trusts us for sending more than 200 million notifications in a day to its customers

### Continued Engagement With Our Existing Customers:

- We have repeat orders from world's second largest telecom service provider to extend the scope of our existing B2B customer experience management solution to other lines of business
- We have new orders from other operating companies within the same group company for UniServe™ platform
- Most of our insurance customers have made our solution an integral part of their digital customer engagement strategy and are continuously working with us to enhance capabilities.

**Our annuity revenue from existing customers has been increasing steadily reaching about 46 Crores this fiscal. We will reach a position where revenue from our annuity will amount to our operational expenses by next financial year**

### Update on managed services deal:

- The award of the multi-year managed-services contract last year from publicly owned telecom services operator in India, was a landmark event in the industry. It was the Operator's maiden engagement of this nature with any solutions vendor and demonstrates the faith and confidence the industry reposes on our company and the class-leading solutions that have been developed.

Implementation is now rapidly apace on both phases of the project and we expect to go on stream by the end of 2017. With that milestone completed, we look forward to the launch of billing operations and expanding the scope of our activity, thereafter. Meanwhile for us too, the learning curve in managing the nuances of the contract and also the client has been both challenging and steep. A significant services revenue opportunity has been postponed due to a Supreme Court directive to all telecom operators on Aadhaar linking of customer accounts by Feb'18. There has also been a stand-off on payment for the implementation services rendered, which we hope to settle soon. However, looking forward, this contract will add to our quarterly revenue predictability in the subsequent financial years.

### Overseas Operations:

- We continue to push for consolidation of our presence in the Americas and are seeing gains being made in the region. Our maiden implementation, a leading data services company will shortly go on stream. We are currently pursuing exciting opportunities that have the potential to expand into a multi-country engagement
- In Europe, the focus has been around strengthening our presence across our existing engagements and we are happy to state that we will soon implement our UniServe™ NXT Platform in one of the operating companies in Eastern Europe
- As the economy in the MENA region is going through turmoil, our focus has been to engage more deeply with our existing clients and look for opportunities for our other solutions.

## Launch Of Innovative, Adaptive Digital Business Platform UniServe™ NXT:

- Digital Business is the blue sky of new growth and learning: UniServe™ NXT Helps enterprises to adapt to digital ways of doing business by creating ecosystems of partners, customers and connected things
  - UniServe™ NXT binds all our solutions into a cohesive unit to offer pre-built customer engagement solutions. Ready availability of these solutions makes it a unique value proposition
  - Powerful digital platform capabilities of UniServe™ NXT platform like configurable APIs, Workflows, Robotic Process Automation, connecting to IoT for enabling digital business models.
  - UniServe™ NXT platform supports two speed IT to enable digital transformation of business processes in shortest time.
  - Reusable components and pre-built solutions library result in significant reduction in application development costs, enables faster time to market through automation, and builds agility by enabling easy and fast change management.
- We are working closely with leading System Integrators and Consulting firms for evolving a combined go-to-market strategy

### **We are in the forefront of building IPR:**

**We filed patents on and have multiple claims for UniServe™ NXT platform for developing applications in configurable and fast methods.**

## Recognition:

- Forrester published Intense Technologies as one of the “Hot and Emerging Indian Business Technology Vendor to watch in 2015”
- UniServe™ NXT platform was recognized as the best of Future IT (Emerging technologies) by world renowned iCMG Architecture Awards panel for 2016
- UniServe™ NXT Platform also topped the list of participants in the Business Innovation category at South Africa's most prestigious, Da Vinci TT100 Technology Awards in 2015

**Intense Technologies has entered the coveted Gartner's Magic Quadrant for customer communications management report published in January 2017**

**With our solutions built on UniServe™ platform becoming inevitable part of delivering customer experience across all our engagements, we are continuously innovating to include advanced technological capabilities into the platform to improve the overall value proposition of multiple solutions built on one platform.**



## Industry Developments:



Gartner predicts that emerging civilization infrastructure will support 100 billion connected things, along with 8 billion people by 2030. Enterprises have to adapt themselves to digital in every aspect of their business to remain relevant. Digital business is the creation of new business designs by blurring the digital and physical worlds. Digital business involves the interaction of people, businesses and intelligent “things.”

As digital business ecosystems expand with the number of people, business and things that can dynamically connect, so does the need for organizations to support and enable these ecosystems; a digital platform is the framework for enabling and managing these ecosystems. Gartner predicts that by

2020, 90% of organizations will have at least one style of digital business platform.

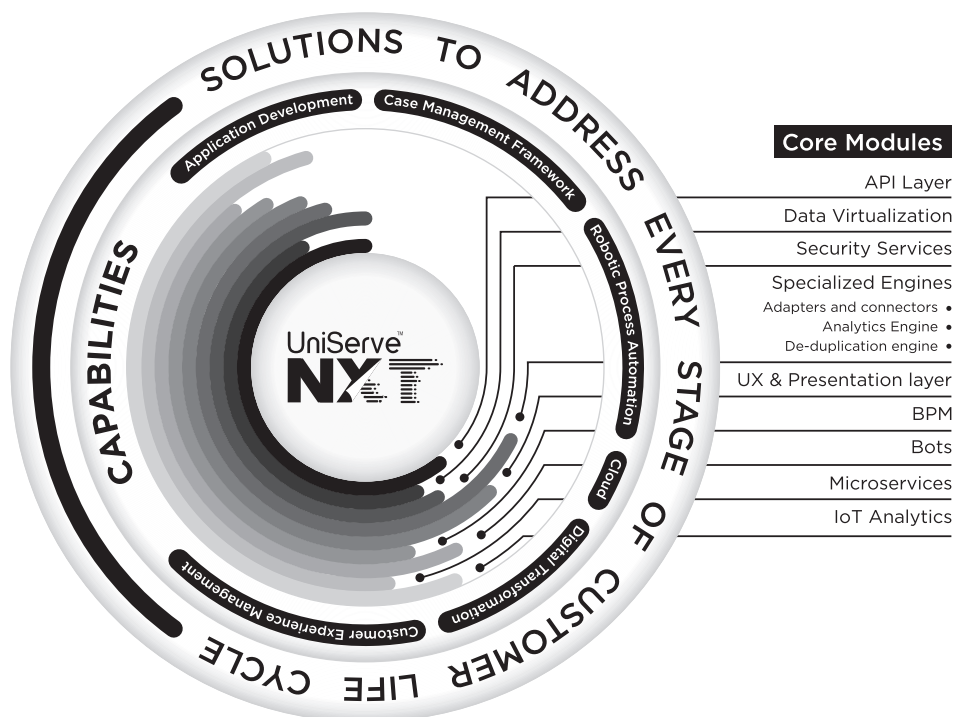
**UniServe™ NXT platform is well poised to cater to this emerging need of digital platform. Our technology capabilities enable organizations to rapidly develop enterprise applications that suit the requirements of business opportunities and can be altered dynamically with the changing business scenarios. This helps organizations in enhancing customer experience, optimizing operational expenses and exploring new business models and revenue streams.**

## Our Value Proposition:

UniServe™ NXT platform comes with a three-layer structure, each of which addresses niche areas of enabling digital business.

- The outermost layer has pre-built business solutions that digitalize customer experience lifecycle like customer onboarding, customer communications management, etc.
- The next layer has technology capabilities like application development, Robotic process automation, Business Process Management, Digital Transformation, etc. to help CIOs implement various technology initiatives to execute business objectives
- The inner core modules of the platform are available on demand to build capabilities and solutions.

This unique structure of the UniServe™ NXT platform with layered architecture helps enterprises build flexible solutions that leverage right set of technologies to achieve business agility.



## Market Potential:

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Gartner predicts every business has to become digital to remain relevant. This makes a formidable case for digital platforms being an imminent need across the global markets. Apart from that, each of our pre-built solutions on UniServe™ NXT platform individually has immense potential.

- According to Markets and Markets report, Customer Identity solutions market value will hover around \$18.3B by 2019
- Customer Communication Management (CCM) market is expected to reach US\$1.06 B by 2025 -TMR Research
- Customer Experience Management market worth \$13.18 Billion by 2021 - Markets and Markets

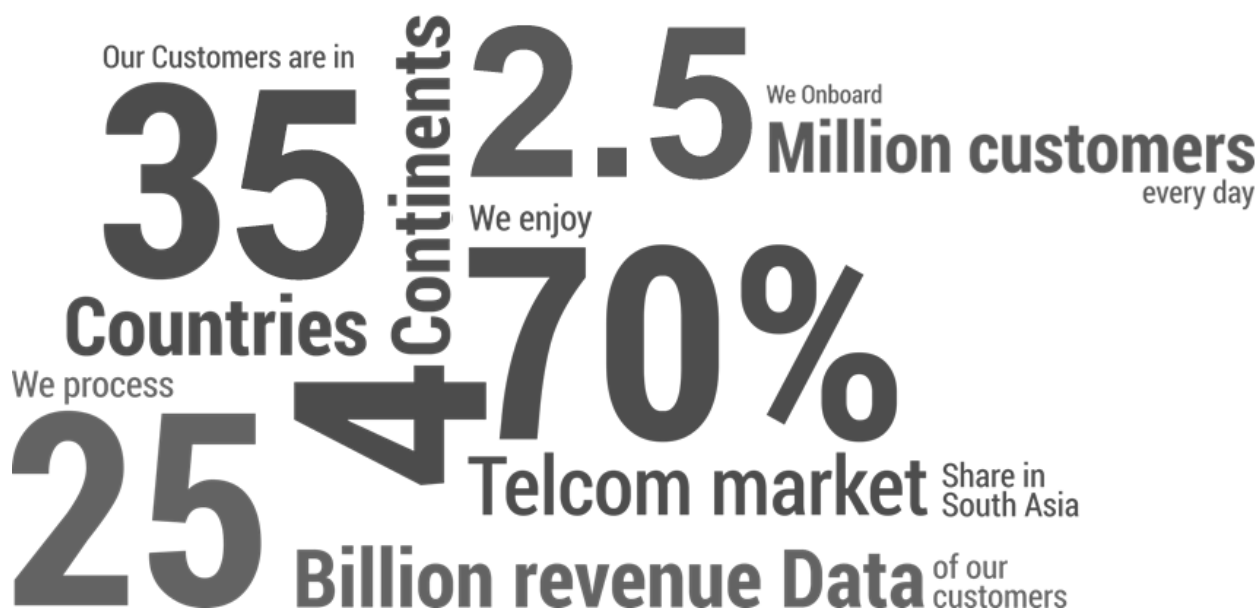
With this kind of potential in the global markets, we are in good stead to exploit these opportunities and become a world renowned company.

**Business Process  
Management Market  
worth 13.52 Billion USD by  
2021. Case Management  
Software, an \$8 Billion  
Untapped Opportunity**

**- Gartner**

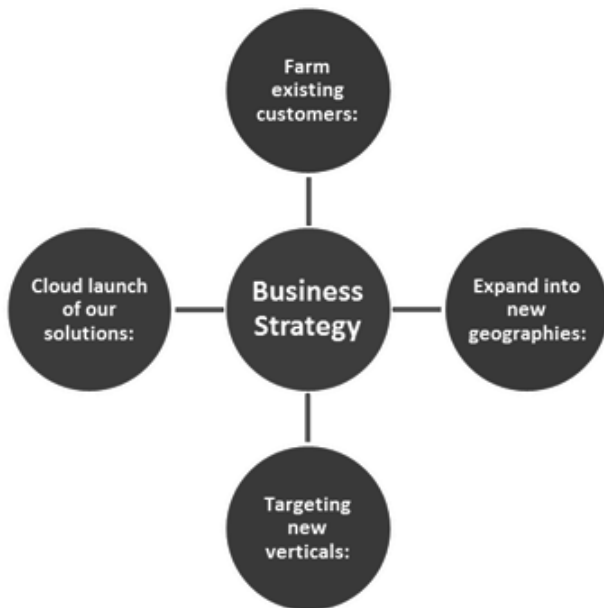
## Business Strategy:

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Intense solutions have been tried, tested and trusted by fortune 500 companies. We have customers in more than 35 countries and have established ourselves as formidable players in the domains that we operate. We help onboard more than 2.5 million customers every day; we send more than 200 million notifications in a day. Our solutions have been built for scale and have played a crucial role in enhancing customer experience across all our implementations.

With this confidence and renewed energy due to the immense potential of our digital platform, we have devised the following strategy to maximize our revenue generating opportunities:



### Farm existing customers:

- With service commoditization being the trend across verticals, customer experience is the only source of competitive differentiation
- Our solutions, with their ability to quickly digitalize and automate customer interfacing processes, are thus becoming mission critical
- All our existing customers are continuously working with us to expand the scope of our solutions. This has resulted in steady increase of our services revenue
- **UniServe™ NXT platform makes it easy for us to build new solutions that our customers demand and thus help us generate more revenue from existing customers. For example, we forayed into the new domain of case management at one of our customers with the help of UniServe™ NXT platform**

### Targeting new verticals and geographies:

- **UniServe™ NXT platform is vertical agnostic and its powerful functionalities like configurable API layer to connect to IoT and AI abilities help us to expand our value proposition to newer verticals like healthcare, retail, government amongst others**
- We are working closely with leading system Integrators dominant in newer verticals and geographies to evolve a combined value proposition that we can take to market
- We are engaging with analyst firms like Gartner and TM Forum to evolve use cases on UniServe™ NXT platform to address business challenges across various verticals

### Cloud launch of our solutions:

- We are seeing good traction for our customer engagement solutions on cloud; one of the leading non-banking financial company trusts our solutions to engage with their customers. Our cloud solutions will help us in generating predictable revenues every quarter and penetrating small and medium business across verticals.
- Our cloud solutions of centralized customer engagement hub and personalized, interactive customer communications are ported on popular IaaS providers like Amazon Web Services, IBM and Oracle cloud
- Our cloud offerings with pay-per-use pricing models are appropriate to achieve market penetration and enhance brand image

### Launch of digital services:

- Our digital services solution helps large enterprises to monetize customer data. We bring the advertising agencies and service providers together and provide right technology platform to send personalized, consistent and contextual communication
- This business model will help all the players, as service providers will gain new revenue streams and increased customer loyalty, advertisers will be able to send targeted promotional messages and Intense will benefit from pay per click and pay per sale business model

We have plans to extend the cloud business model to MEA, Europe and USA in the future.

## Our Strengths:

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*We have been a platform company long before enterprises realized the need for platforms to navigate the digital era. All our solutions are built on a single platform.*

- Intense Technologies have been a platform company long before enterprises realized the need for platforms to navigate the digital era. All our solutions are built on a single platform. This gives us the agility to rapidly build multiple solutions that address business challenges of our customers and customize our solutions to unique customer requirements effortlessly. We are now a strong contender in the digital platform space as we have comprehensive technological capabilities coupled with pre-built business solutions ready to be used along with the platform
- We have strong domain knowledge in telecom, Insurance, banking and financial services and government verticals. Our solutions built on UniServe™ platform are designed to process huge volumes and scale based on business requirements. Our oldest implementations date back to 2003. Most of our customers work with us to expand the scope of our solutions to include various customer interfacing processes
- Solutions built on UniServe™ NXT platform cater to the end-to-end customer experience requirements. Right from onboarding the customers through physical and digital channels, engaging them with consistent and personalized communication through multiple channels, analyzing customer demographics and transactional data in near real time to empower internal stakeholders to act on insights from data and deliver superior customer experience through mobile apps and self-service portal, we have built-in solutions for digitalizing the above mentioned processes
- We have minimum dependency on third party applications and most of our modules have been built in-house. We have filed patents for some of our technologies
- We share amicable relationships with all our existing customers and they trust us with their mission critical applications. We have customers who have been using our solution for more than a decade now and have continuously worked with us to evolve the solution to their dynamic business needs. We have periodic meetings with our customers to discuss product roadmap

## Our Competition:

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- We compete with many global players in the domains we operate and the digital platform domain is growing rapidly with many players entering the market. Our customers often aver that they have chosen us because of the extended scope of our solutions, comprehensive data management capabilities, scalability, efficient service delivery model, domain expertise and proven track record.
- UniServe™ has been winning deals against large global players because of superior technology with compelling value in terms of functional depth and breadth of the solution. We have replaced global competitors in some of our engagements.
- However, we face intense competition in various domains of the solutions offered through our platform like customer communications management, customer onboarding, and campaign management amongst others. Our competitive differentiation of offering a modular platform that extends itself to automate most of customer interfacing processes has won us our industry recognition and customers' delight.

### **Some of the competitive factors in our business are:**

- Our platform is focused towards the objective of enabling agile customer experience
- Award-winning platform built on modular architecture and having advanced technical capabilities that help enterprises become digital
- Best practices that have been evolved with our implementation experience across various verticals

## Outlook, Risks and Concerns

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Increasing need for adapting to digital business makes it imperative to have a digital business platform that helps enterprises navigate their way and explore new business models to expand reach and enhance customer experience. We are well positioned to exploit this opportunity with our UniServe™ NXT platform.

Our existing customers across geographies are our biggest bet to implement our new platform. We are working closely with our partners to take a combined value of our platform to different geographies. A leading telecom operator in Europe has decided to implement UniServe™ NXT platform for case management capabilities. This could be the anchor for subsequent opportunities in this region.

With our growing SaaS based customer engagements, we are looking forward to a reasonable degree of year-on-year revenue predictability. Our annuity revenue supporting our regular operations cost allows us to focus on our high yield growth markets.

**The following are some of the key risks faced by the company and our plans to mitigate them:**

### **Global economic situation:**

Global economic situation will have significant impact on IT industry. Although a modest global recovery is projected for 2017-18, the world economy has not yet emerged from the period of slow growth, characterized by weak investment, dwindling trade and flagging productivity growth, according to the United Nations World Economic Situation and Prospects (WESP) 2017 report. We however, are seeking to build a sales pipeline in regions like Europe and USA where the economic situation is looking better and pitching cloud based models in regions like MEA.

### **Managing new business models:**

We are in early stages of learning curve of implementing new business models like managed services. Our inexperience in directly managing large resource intensive contracts is likely to impact project schedules and customer dynamics with a risk of erosion of margins. To mitigate the risk we are recruiting experienced people with a past record of successful handling of such projects.

### **Supply-side risks**

Since we operate in niche domains and are witnessing huge potential for our solutions from global players, it is very critical that we have resources with right skills. Smaller sized companies like us are always fertile grounds for poaching of trained talent by large IT enterprises. Non-availability of right people at the right time might impact our project delivery schedules, new version launch dates, lower market penetration, etc. We have put a strong HR process to keep existing talent motivated and for hiring talents from across the globe.

### **Long sales cycles**

Long sales cycles are typical to our line of business as these are invariably strategic decisions and involve stringent evaluation criteria of long RFPs, POCs, demonstrations, etc. Such delays in the entire process can impact timing of predicted revenues.

### **Dependence on business partners**

Across SAARC, MEA and South America, we are dependent on many System Integrators and partners to improve our reach to global markets and ride on their brand. While we are scaling and expanding our reach to global markets and exploring direct sales opportunities, there will be pressures on margins in the immediate term.

### **Global competition**

Customer Experience and digital business platform is a high growth segment in the IT solutions domain. Many larger IT conglomerates are looking to acquire solutions in this domain to be able to harness the opportunity. We face competition from large multi-national companies with much larger financial and marketing muscle. We have a strategy to weave services around our solutions, and have improving revenue streams from existing customers, and also step-up our business development activity with existing engagements to actively farm for newer opportunities, and consolidate our presence even deeper.

## **Proprietary technology**

There can be instances of misappropriation of our technological expertise or reverse engineering of our solutions. Legal standards and scope of protection in many countries may not provide adequate protection to our proprietary technology/technologies. We have filed patents for around four of our innovative IPs to avoid misappropriation.

## **Material developments in human resources / industrial relations, including number of people employed**

Being a products company, our way of imbuing agility to our culture, attracts the best talent as they will be exposed to immense learning opportunities, key responsibilities, and faster career growth.

### **Human capital**

Our people are our biggest assets. We are a bunch of passionate individuals who love being innovative. The products and services we deliver are of highest standard and have won the trust of our customers. We continue our endeavor to bring and hone the right talent to advance our business objectives.

### **Recruitment:**

We have built our talent pool by recruiting students from good universities and colleges in India. We have also recruited experienced, local sales and operational talent in UK and MEA regions. We rely on rigorous selection process involving aptitude tests, technical and HR interviews to identify the right talent. The selection process continuously evolves to include new methods.

### **Training and development:**

The competency development of our employees continues to be a key area of strategic focus for us. Keeping in view the organization strategy, global competition and changing market trends, we have launched new programs for our employees and enhanced our training efforts in multiple areas. We have a Learning Management System platform that combines teaching, hands-on learning and assessments of in-class training to provide the employees an enhanced learning experience. In addition to the class-room trainings, the Learning Management System platform allows the employees to access the training courses at their convenience and complete the assigned courses from any location – ensuring continuous learning irrespective of where the employee is stationed and also not hampering the productivity.

The main focus of our training programs is to create unique experience for learners at Intense Technologies Limited which will enhance the relevance and effectiveness of learning.

### **Compensation**

Our people receive competitive salaries and benefits. We have a performance linked compensation program.



## ANNEXURE - VIII

### REPORT ON CORPORATE GOVERNANCE

In accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance system is as follows:

#### Company Philosophy on Code of Governance

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the Organisation. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered at extremely competitive prices.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management. Our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity.

The Company attaches immense importance to good Corporate Governance as formulated by the Stock Exchanges/ SEBI and other authorities in right earnest. It will be the endeavor of the Board of Directors that the Company is so governed as to maximize the benefits of all stakeholders i.e., shareholders, employees, customers, society and others.

#### Ethics/Governance Policies

At In10s, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of internal procedures and Conduct for regulating and reporting of trading by insiders.
- Board Evaluation Policy
- Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Policy for Selection of Directors and determining Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees .
- Policy for determining Material Subsidiaries

## Shareholders Communications

The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Shareholders seeking information related to their shareholding may contact the Company directly or through the Company's Registrars and Share Transfer Agents. In10s ensures that complaints and suggestions of its shareholders are responded to in a timely manner. A comprehensive and informative shareholders' reference is appended to this Annual Report.

## Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He / She interfaces between the management and regulatory authorities for governance matters.

## Working towards People, Product, Processes and Profit

In10s works towards attaining a sustained financial bottom line along with enhancing the natural human capital and product development.

In addition, it has focused its energies on identifying specific impact areas. It endeavors to alleviate the underprivileged and marginalized sections of the society and has an active engagement with them to ensure their holistic development.

It aims to develop innovative products and processes to sustain its growth momentum. It also invests in R&D across its businesses, to serve the current and emerging needs of growth and efficiency of its businesses, and to develop new path - breaking technologies.

## Board of Directors

### Composition and category of Directors

Category	No. of Directors
Non-Executive & Independent Directors	4
Other Non-Executive Directors and Non-Independent Directors	1
Executive Director (CEO & Managing Director)	2
<b>Total</b>	<b>7</b>

The Board consists of eminent persons with considerable professional expertise and experience, provides leadership and guidance to the management, thereby enhancing stakeholders value.

The Board of Directors of the Company is at present composed of Seven (7) Directors, out of whom One (1) is a Chairman and Managing Director, One (1) is a Whole Time Director and Five (5) are Non-Executive Directors.

## Board Meetings

During the year under review, there were 10 (Ten) meetings of the Board of Directors and the maximum time gap between any two board meetings was not more than four months and the following is the attendance of the Directors:

Sl. No.	Name of the Director	Category	No. of Meetings attended	Whether attended the last AGM	No. of Directorships in other Boards	Committee memberships	Chairperson of committees
1	Mr. C. K. Shastri	Chairman & Managing Director	10	Yes	2	1	1
2	Mr. Jayant Dwarkanath	Whole time Director	10	Yes	3	1	-
3	Mr. Tikam Sujan	Non-executive and Non-Independent Director	3	No	1	-	-
4	Mrs. V. Sarada Devi	Non-executive and Independent Director	1	No	-	5	2
5	Mr. Pavan Kumar Pulavarty	Non-executive and Independent Director	1	No	-	-	-
6	Mr. K. S. Shanker Rao	Non-executive and Independent Director	6	Yes	-	5	1
7	Mr. V.S. Mallick	Non-executive and Independent Director	10	Yes	2	6	2

Notes: Excluding Directorship in Intense Technologies Limited and its subsidiaries.

The dates of Board Meetings held during the year under review are: 30th May, 2016, 30th June, 2016, 5th August, 2016, 11th August, 2016, 3rd October, 2016, 9th November, 2016, 31st December, 2016, 20th January, 2017, 13th February, 2017 and 6th March, 2017.

As required under Section 149(3) of the Companies Act, 2013, & as per the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Sarada Devi, a Woman Director, is an Independent Director on the Board.

The details of familiarization programmes imparted to independent directors are available on our website: (<http://in10stech.com/investors/company-overview#investor>)

## Committees of the Board

### (a) Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensure, timely disclosure, transparency, integrity and quality of financial reporting.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company has constituted an Audit Committee consisting of the following Directors, with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements. During the year, 4 (Four) meetings of the Committee took place and attendance there at is as under:

Name of the Director	Designation	No. of Meetings held	No. of Meetings Attended
Mr. V.S. Mallick	Chairman	4	4
Mrs. V. Sarada Devi	Member	4	2
Mr. K. S. Shanker Rao	Member	4	4

The dates of Meetings held during the year under review are: 30th May, 2016, 5th August, 2016, 9th November, 2016 and 13th February, 2017.

Some of the important functions performed by the Committee are:

### Financial Reporting and Related Processes

- Overview of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Reviewing the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

### (b) Nomination and Remuneration Committee

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee consisting of the following Directors, with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

Name of the Member	Designation	No. of Meetings held	No. of Meetings Attended
Mr. K. S. Shanker Rao	Chairman	4	4
Mrs. V. Sarada Devi	Member	4	2
Mr. V.S. Mallick	Member	4	4

The Nomination and Remuneration Committee of Directors met on 27th May, 2016, 5th August, 2016, 9th November, 2016 and 6th March, 2017.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

### Remuneration of Directors

Other than Executive Directors, no other Director receives any remuneration from the Company. The details of remuneration paid to the Managing and Whole-Time Directors is mentioned in Notes forming part of the financial statements of the Company.

## **Policy for Selection and Appointment of Directors and their Remuneration**

The Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

### **Criteria of selection of Non Executive Directors**

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.

The Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Remuneration Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

On evaluation of the performance of the Board, it has been evaluated that

- a) Mr. C. K. Shastri as the Managing Director of the company has been playing pivotal role in the operations and the marketing of the company's product and his contribution has been rated as very good.
- b) The Non Executive Directors have given valuable suggestions and their constructive appreciation of the performance has yielded positive results and their contribution has been rated as good.
- c) Mrs. V. Sarada Devi, Woman Director is overseeing the Finance and General welfare of the employees including Women employees and her contribution has been rated very good.
- d) Other independent Directors by their contribution and presence contributed to the corporate governance and discharge of CSR initiatives and their performance has been rated good.

### **Remuneration**

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **CEO & Managing Director – Criteria for selection / appointment**

For the purpose of selection of the CEO & MD, the Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

## Remuneration for the CEO & Managing Director

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (Remuneration Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits.

## Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the remuneration committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein –above, whilst recommending the annual increment and performance incentive to the remuneration committee for its review and approval.

## (c) Risk Management Committee

The committee comprised of the following directors as on 31 March, 2017:

Name of the Member	Designation
Mr. V.S Mallick	Chairman
Mrs. V. Sarada Devi	Member
Mr. K. S. Shanker Rao	Member

Business Risk Evaluation and Management is ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks and also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks;
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure and po-tential impact analysis and mitigation plan.

## (d) Independent Directors Meeting

During the year under review, the Independent Directors met on 13th February, 2017, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## (e) Stakeholders Relationship Committee and Investors Grievances

The Company attaches utmost attention for resolving shareholders/ investors grievances/complaints. Complaints received from shareholders/investors directly or through Stock Exchanges or SEBI and are replied to immediately. There are no outstanding or unresolved complaints.



The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures.

The composition of the Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Designation	No. of Meetings held	No. of Meetings Attended
Mrs. V. Sarada Devi	Chairman	7	7
Mr. V.S Mallick	Member	7	7
Mr. K. S. Shanker Rao	Member	7	2

During the year, two complaints were received and no investor grievances were pending as on March 31, 2017.

#### **(f) Corporate Social Responsibility (CSR) Committee**

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the CSR Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Designation	No. of Meetings held	No. of Meetings Attended
Mrs. V. Sarada Devi	Chairman	4	2
Mr. V.S Mallick	Member	4	4
Mr. K. S. Shanker Rao	Member	4	4

## Notes on Directors Seeking Appointment/Reappointment

In accordance with the Companies Act, 2013, Mr. Tikam Sujan, Director, retire by rotation and being eligible, offers himself for reappointment.

## Disclosures

### Pecuniary disclosure with regard to interested Directors:-

- a) Disclosures on materially significant related party transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, that may have potential conflict with the interests of the Company at large:-

None of the transactions with any of related parties was in conflict with interest of the Company.

- b) Details of non-compliance by the Company and the penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years:-

There were no instances of non-compliance of any matter related to Capital Market during the last three years.

- c) Compliance Certificate of the Auditors:

Certificate of the Statutory Auditor's has been obtained on the compliance of the conditions of Corporate Governance in terms of relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period ended 31st march 2017.

- d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

The Company has fully complied with the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has adopted non-mandatory requirements of the listing agreement.

- e) The Management Discussion and Analysis is a part of this Annual Report.

## Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 and Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements. As per The Ministry of Corporate Affairs (MCA) vide its notification dated 16th February, 2015, the Company and its subsidiaries will adopt Ind AS with effect from 1st April, 2017.

## Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

## CEO and CFO Certification

The CEO and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

## Code of Conduct and Ethics

The Board of Directors has approved a Code of Conduct and Ethics which is applicable to all the Members of the Board of Directors and Senior Management Personnel of the Company. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti-Bribery & Corruption Directive" which forms an

Appendix to the Code. The Code has been posted on the Company's website [www.in10stech.com](http://www.in10stech.com).

A detail declaration along with a certificate of compliance appears in the Annexure to the Corporate Governance Report.

### Whistle Blower Policy

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Whistle Blower Policy for directors and employees to report genuine concerns has been established to deal with the instance of fraud and mismanagement if any. The company ensures that strict confidentiality is maintained while dealing with the concerns and also that no discrimination is meted out to any person for a genuinely raised concern. Whistle Blower Policy has been uploaded on the website of the Company at [www.in10stech.com](http://www.in10stech.com).

### Prevention of Insider Trading

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Director and designated employees of the company. The code requires pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's share by the Director and designated employees while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The Board is responsible for implementation of the code.

All the Board and the designated employees have confirmed compliance with the Code.

### Means of Communication

Quarterly/Half Yearly/ Yearly Financial Results of the Company are forwarded to the Bombay Stock Exchange, National Stock Exchange of India Limited and also published in Business Standard and Andhra Prabha Newspapers. Half Yearly report is not sent to each household of shareholders as the results of the Company are published in the Newspapers.

- i) The results or official news were not displayed in any Website except in Company's Website.
- ii) Company has made presentations to Institutional investors / analysts during the year.
- iii) The Company has the mechanism to combat the risks of exposure to Business, Assets and Financial Risks in the form of competition, accidents, natural calamities, obsolescence, and fluctuations in foreign currency etc.

### General Body Meetings

The last three Annual General Meetings were held as under:

AGM No.	Location	Date	Time	Whether any special Resolutions were passed
24 <sup>th</sup> AGM	Surana Udyog Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004	29.09.2014	2.00 P.M.	Yes
25 <sup>th</sup> AGM	Surana Udyog Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004	30.09.2015	2.00 P.M.	No
26 <sup>th</sup> AGM	Surana Udyog Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004	28.09.2016	2.00 P.M.	Yes

### Dematerialization of Shares

If any of the shareholders have not yet dematerialized shares, they are advised to contact the **National Securities Depository Services Ltd. (NSDL)** and **Central Depository Services (India) Ltd. (CDSL)**-ISIN-INE781A01025 for dematerializing the shares held by them in the Company.

## General Shareholder Information

a) Annual General Meeting	27 <sup>th</sup> AGM
Date	28-09-2017
Time	2:00 P.M.
Venue	FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004
b) Financial Calendar	2016-17
c) Date of Book Closure	21-09-2017 to 28-09-2017 (both days inclusive)
d) Dividend Payment Date	NA
e) Registered Office	A1, Vikrampuri, Secunderabad - 500 009.
f) Listing on Stock Exchange	The Bombay Stock Exchange (BSE) Limited; National Stock Exchange of India Limited, Mumbai
g) International Securities Identification Number	INE781A01025
h) Code/Symbol	BSE:532326; NSE:INTENTECH
i) Market Price Data	Given Below :

## The Bombay Stock Exchange Limited (BSE)

Months	High (₹)	Low (₹)	No. of Shares
April, 16	42.95	36.15	71906
May, 16	63.00	37.30	351850
June, 16	60.60	46.00	647414
July, 16	83.90	52.00	2135906
August, 16	76.80	57.85	547402
September, 16	74.15	53.10	627086
October, 16	90.40	56.40	1577546
November, 16	97.70	75.05	2169240
December, 16	154.50	89.15	5033329
January, 17	197.30	160.00	3404524
February, 17	248.70	166.50	3924667
March, 17	189.00	151.65	2401723

## The National Stock Exchange of India Limited (NSE)

Months	High (₹)	Low (₹)	No. of Shares
March, 17	182.00	152.00	492991

The Company's equity shares are listed with National Stock Exchange of India Limited (NSE), Mumbai, w.e.f March 23, 2017.

j) Registrar & Share Transfer (Physical and Electronic) Agent	Karvy Computershare Private Limited (KCPL) Karvy Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032.
k) Share Transfer Systems	Transfer of Securities in physical form are registered and duly transferred share certificates are dispatched within fifteen (15) days of receipt, provided the transfer documents are in order.
l) Distribution of Shareholding (As on 31.03.2017)	Given Below
m) Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity:-	The Company has not issued any of these instruments.
n) Location of Registered Office	A1, Vikrampuri, Secunderabad - 500009, Telangana
o) Code of Conduct and Ethics:	The Board of Directors of the Company has formulated a code of conduct and ethics applicable to all the members of the Board of Directors and Senior Management Personnel of the Company. A detailed declaration along with a certificate of compliance appears in the Annexure to the Corporate Governance Report.
p) Compliance Officer	K. Tejaswi

#### Distribution of Shareholding as on 31/03/2017 (TOTAL)

Sl.no	Category (Shares)	No.of Share Holders	% To Share Holders	No.of Shares	% To Equity
1	1 - 5000	9666	95.62	4268798	19.29
2	5001 - 10000	208	2.06	1507112	6.81
3	10001 - 20000	115	1.14	1625871	7.35
4	20001 - 30000	35	0.35	884819	4.00
5	30001 - 40000	20	0.20	695955	3.15
6	40001 - 50000	12	0.12	559512	2.53
7	50001 - 100000	26	0.26	1763276	7.97
8	100001 & above	27	0.27	10818718	48.90
	<b>TOTAL:</b>	<b>10109</b>	<b>100.00</b>	<b>22124061</b>	<b>100.00</b>

**Shareholding pattern**

Shareholding pattern of the Company in detail is presented in MGT-9 enclosed to the Board's report as Annexure-I

**Pending Investors' Grievances**

During the year, two complaints were received and resolved. And no investor grievances were pending as on March 31, 2017.

**Reconciliation of Share Capital Audit**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external Secretarial auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to The Bombay Stock Exchange (BSE) Limited and National Stock Exchange of India Limited (NSE), Mumbai and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

For Intense Technologies Limited

Place: Secunderabad  
Date: 16<sup>th</sup> August, 2017

**C. K. Shastri**  
Chairman & Managing Director



## ANNEXURE

### Auditors' Certificate on Corporate Governance

To

**The Members of Intense Technologies Limited**

We have examined the relevant records relating to compliance of conditions of Corporate Governance by Intense Technologies Limited ("the Company"), for the year ended 31st March, 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the year ended 31st March, 2017.

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 compliance with the conditions of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations.

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 Srinivas P. & Associates**

Chartered Accountants  
Firm Regn.No.006987S

**CA.P.Srinivas**

Proprietor  
Membership No. 204098

Place: Hyderabad

Date: 30th May, 2017

## Managing Director / Chief Executive Officer (CEO) And Chief Finance Officer (CFO) Certification

To

**The Members of Intense Technologies Limited**

We have reviewed the financial statements and the cash flow statement of Intense Technologies Limited for the year ended March 31, 2017 and that to the best of our knowledge and belief, we certify that:

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;  
(ii) These statements together present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and the steps they have taken or proposed to be taken to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
  - (i) Significant changes, if any, in internal control over financial reporting during the year;
  - (ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) That there were no instances of significant fraud of which we have become aware.

We further declare that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2017.

For Intense Technologies Limited

Place: Secunderabad  
Date: 30th May, 2017

**C.K. Shastri**  
Chairman & Managing Director

**H.M.Nayak**  
Head-Finance

# INDEPENDENT AUDITOR'S REPORT

To The Members of Intense Technologies Limited

## Report on Standalone Financial Statements

We have audited the accompanying standalone financial statements of Intense Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act.

Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. As per the information and explanations provided to us by the Company there would be no impact of pending litigations on its financial position in its financial statements.
    - b. The Company did not have any material foreseeable losses relating to long-term contracts including derivative contracts.
    - c. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Company
    - d. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on management representation, we report that the disclosures are in accordance with books of accounts maintained by the Company and produced to us by Management. Refer Note 32 to the financial statements.

For Srinivas P. & Associates  
Chartered Accountants  
Firm Regn.No.006987S

CA.P.Srinivas  
Proprietor  
Membership No. 204098

Place: Hyderabad  
Date: 30<sup>th</sup> May, 2017

## Annexure “A” to the Independent

### Auditors’ Report on the Standalone Financial Statements

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report on the standalone financial statements of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The company is a Software Products, Solutions and related services Company providing Customized Software Product Solutions and Services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans: There are delays in receipt of interest and principal amount and the account is over due at the end of the year.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) According to the information and explanations given to us in respect of statutory dues
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Excise Duty is not applicable to the Company.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable. Excise Duty is not applicable to the Company.
  - (c) There are no disputed dues of Income tax, Wealth Tax, Customs Duty and Cess which have not been deposited as on March 31, 2017. Excise Duty is not applicable to the Company. There is a demand ₹ 2.08 crores from the service tax department, which the company is contesting.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiii) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Srinivas P. & Associates**

Chartered Accountants  
Firm Regn.No.006987S

**CA.P.Srinivas**

Proprietor  
Membership No. 204098

Place: Hyderabad  
Date: 30<sup>th</sup> May, 2017



## **Annexure “B” to the Independent Auditors’ Report**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Intense Technologies Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Srinivas P. & Associates**

Chartered Accountants  
Firm Regn.No.006987S

**CA.P.Srinivas**

Proprietor  
Membership No. 204098

Place: Hyderabad  
Date: 30<sup>th</sup> May, 2017

# Intense Technologies Limited

## Balance Sheet as at 31<sup>st</sup> March 2017

(Amount in ₹)

	Note	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	44,248,122	43,392,168
(b) Reserves & Surplus	3	676,072,086	551,759,306
<b>(2) Non-current liabilities</b>	4	30,281,260	24,335,127
<b>(3) Current Liabilities</b>			
(a) Bank Overdraft	5	23,866,977	40,513,024
(b) Trade Payables	6	55,867,484	1,320,707
(c) Short-term Provisions	7	109,878,880	42,719,341
(d) Advance from Customers	8	992,330	-
<b>TOTAL</b>		<b>941,207,139</b>	<b>704,039,673</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets	9	74,514,420	25,846,276
(b) Non-current investments	10	6,600,559	7,114,109
(c) Deferred Tax Asset		22,784,752	24,503,891
(d) Other non-current assets	11	96,947,320	84,679,215
<b>(2) Current Assets</b>			
(a) Trade Receivables	12	338,543,666	275,160,198
(b) Cash and Cash equivalents	13	202,084,631	165,917,239
(c) Other current assets	14	199,731,791	120,818,745
<b>TOTAL</b>		<b>941,207,139</b>	<b>704,039,673</b>
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of the financial statements in terms of our Report of even date.

Srinivas P. & Associates

Chartered Accountants  
Firm Regn.No.006987S

For and on behalf of the Board

CA.P.Srinivas

Proprietor  
Membership No.204098

C. K. Shastri  
Managing Director

Jayant Dwarkanath  
Director

Place: Secunderabad  
Date : 30<sup>th</sup> May, 2017

K.Tejaswi  
Company Secretary

# Intense Technologies Limited

## Statement of Profit & Loss for the year ended 31<sup>st</sup> March 2017

(Amount in ₹)

	Note	Year Ended 31.03.2017	Year Ended 31.03.2016
I.Revenue from Operations	15	701,789,509	420,027,982
II.Other Income	16	10,455,017	34,842,725
<b>III.Total Revenue (I+II)</b>		<b>712,244,526</b>	<b>454,870,707</b>
<b>IV.Expenses</b>			
Operating Expenses	17	10,004,422	10,033,831
Personnel	18	311,011,231	292,537,253
Administrative & Marketing Expenses	19	159,771,306	123,724,990
Financial Charges	20	8,606,131	7,863,750
Depreciation and amortization		30,533,844	15,580,523
Misc.Expenses written off	21	645,707	645,707
<b>Total Expenses</b>		<b>520,572,641</b>	<b>450,386,054</b>
V.Profit before tax (III-IV)		191,671,885	4,484,653
VI.Tax Expense			
(a) Income Tax		60,550,000	2,440,000
(b) Deferred Tax Asset/(Liability)		(1,719,139)	3,328,619
VII.Profit after tax		129,402,746	5,373,272
VIII.Prior Period Items		(5,089,966)	(14,673,896)
IX.Balance Carried forward		<b>124,312,780</b>	<b>(9,300,624)</b>
X.Earnings per share (Face Value ₹ 2/- each)	22		
(a) Basic		<b>6.23</b>	0.09
(b) Diluted		<b>6.16</b>	0.09

The accompanying notes are an integral part of the financial statements  
In terms of our Report of even date

Srinivas P. & Associates  
Chartered Accountants  
Firm Regn.No.006987S

For and on behalf of the Board

CA.P.Srinivas  
Proprietor  
Membership No.204098

C. K. Shastri  
Managing Director

Jayant Dwarkanath  
Director

Place: Secunderabad  
Date : 30<sup>th</sup> May, 2017

K.Tejaswi  
Company Secretary

# Intense Technologies Limited

## Statement of Cash Flow for the year ended 31<sup>st</sup> March 2017

(Amount in ₹)

	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>A. Cash Flow from operating Activities</b>		
Net Profit before tax	191,671,885	4,484,653
<b>Adjustment for:</b>		
Depreciation	30,533,844	15,580,523
Miscellaneous Expenses written off	645,707	645,707
Income Tax	(60,550,000)	(2,440,000)
Other Income	(10,455,017)	(34,842,725)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>151,846,419</b>	<b>(16,571,842)</b>
<b>Adjustment for :</b>		
(Increase)/Decrease in Trade Receivables	(63,383,468)	12,918,136
(Increase)/Decrease in Other Current Assets	(78,913,046)	(66,602,551)
(Increase)/Decrease in Other Non-Current Assets	(12,913,812)	9,458,519
Increase/(Decrease) in Non-current Liabilities	5,946,133	761,011
Increase/(Decrease) in Current Liabilities	122,698,646	(7,013,892)
<b>Cash generated from Operations</b>	<b>125,280,872</b>	<b>(67,050,619)</b>
Prior Period Items	(5,089,966)	(14,673,896)
<b>Net Cash Flow from Operating Activities</b>	<b>120,190,906</b>	<b>(81,724,515)</b>
<b>B. Cash Flow from investing Activities</b>		
(Increase)/Decrease in Fixed Assets	(79,201,988)	(2,089,912)
(Increase)/Decrease in Non-current Investments	513,550	(513,550)
Other Income Received	10,455,017	34,842,725
<b>Net Cash used in investing activities</b>	<b>(68,233,421)</b>	<b>32,239,263</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	855,954	4,831,404
Increase/(Decrease) in Bank Overdraft	(16,646,047)	(23,537,579)
<b>Net cash generated from Financing Activities</b>	<b>(15,790,093)</b>	<b>(18,706,175)</b>
Cash & Cash equivalents utilised (A+B+C)	36,167,392	(68,191,427)
Cash & Cash equivalents (Opening Balance)	165,917,239	234,108,666
Cash & Cash equivalents (Closing Balance)	202,084,631	165,917,239

The accompanying notes are an integral part of the financial statements  
In terms of our Report of even date

Srinivas P. & Associates  
Chartered Accountants  
Firm Regn.No.006987S

For and on behalf of the Board

CA.P.Srinivas  
Proprietor  
Membership No.204098

C. K. Shastri  
Managing Director

Jayant Dwarkanath  
Director

Place: Secunderabad  
Date : 30<sup>th</sup> May, 2017

K. Tejaswi  
Company Secretary

# NOTES TO FINANCIAL STATEMENTS

## 1. SIGNIFICANT ACCOUNTING POLICIES:

### 1.1. Accounting Concepts

The Company follows the Historical cost convention and the mercantile system of accounting where the income and expenditure are recognized on accrual basis.

### 1.2. Revenue Recognition

Revenue from software products is recognized when the sale has been completed with raising of invoice from the company.

Revenue from software development on a time and material basis is recognized based on software developed and billed to clients as per the terms of specific contracts.

Revenue from digitization is identified when the specific milestone is achieved and invoice is raised.

### 1.3. Expenditure

Expenses are accounted on the accrual basis and provisions are made for all known and expected expenses, losses and liabilities.

### 1.4. Fixed Assets

Fixed assets are stated at the cost of acquisition, less accumulated depreciation. Direct costs are capitalized till the assets are ready to be put to use. These costs include financing costs relating to acquisition of assets.

### 1.5. Depreciation

Depreciation on tangible assets is provided on written down value method over useful life of assets as per section 123(2) of the Companies Act 2013, in accordance of provisions of Schedule II.

### 1.6. Product Development and Research

Initial Expenditure incurred on Research and Development of products, promotional expenditure of new products and existing products have been capitalized and amortized over the useful life of products as estimated by the Management.

### 1.7. Foreign Currency Transactions

Sales made to clients outside India have been accounted based on the rate prevailing on the date of invoice. Expenditure in foreign currency is accounted at the exchange rate prevalent when such expenditure is incurred. All monetary items denominated in foreign currency are reflected at the rates prevailing on the Balance Sheet date. Exchange differences, if any, arising on account of fluctuation in foreign exchange have been duly reflected in the profit and loss account in case of revenue transactions and capitalized in case of transactions having capital nature.

### 1.8. Investments

Investments are stated at cost of acquisition, no provision has been made towards diminution in the value of investments.

### 1.9. Income tax

Provision is made for income tax on a yearly basis, under the tax-payable method, based on the tax liability as computed after considering the prevailing exemptions available as per the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence on timing of difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

### 1.10. Trade Receivables, Loans & Advances

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.

### **1.11. Prior Period Expenses/Income:**

Prior period items, includes currency translation reserve amounting to ₹ 3,959,659 on account of consolidation of accounts during the previous year.

### **1.12. Earning Per Share**

The earnings considered in ascertaining Earnings Per Share (EPS) comprises the net profit after tax (and includes the post tax effect of any extraordinary items). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The Number of shares used in computing the diluted EPS comprises weighted average number of shares considered for deriving Basic EPS and also weighted average of the number of equity shares which could have been issued on conversion of dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at the fair value (i.e. average market value of the outstanding shares.)

### **1.13. Employee Benefits**

Contribution to schemes such as Provident Fund and Employee State Insurance Scheme are charged to profit and loss account on accrual basis. The Company also provides for other retirement benefits in the form of gratuity under the Payment of Gratuity Act, 1972 based on an actuarial valuation made by an independent actuary as at the balance sheet date. The cost of leave encashment made to employees is considered as expenses on actual basis.

### **1.14. Employee Stock Option Scheme**

Stock options granted to employees under the stock option schemes are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 issued by Securities and Exchange Board of India. Accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to profit and loss account on straight line basis over the vesting period of the options. The unamortized portion of the deferred employee compensation is shown under Reserves and Surplus.

### **1.15. Sales**

Sale of product/service is exclusive of sales tax/service tax.

### **1.16. Borrowing Cost**

Borrowing Cost on qualifying asset is considered for capitalization when the expenditure on qualifying asset and borrowing cost are incurred.

### **1.17. Segment Reporting**

The Company's operations predominantly relates to software products development, hence no reportable primary segment information is made.



# Intense Technologies Limited

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.

		2017		2016	
		No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
<b>2</b>	<b>Share Capital</b>				
<b>a)</b>	<b>Authorised Share Capital</b>				
	Equity Shares of ₹ 2/- each	250,000,000	500,000,000	250,000,000	500,000,000
		250,000,000	500,000,000	250,000,000	500,000,000
<b>b)</b>	<b>Issued, subscribed and fully paid up share capital</b>				
	Equity Shares of ₹ 2/- each	22,124,061	44,248,122	21,696,084	43,392,168
		22,124,061	44,248,122	21,696,084	43,392,168

### c) Rights of shareholders :

The Company has only one class of equity shareholders. Each holder of equity shares is entitled to one vote per share.

### d) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	2017		2016	
	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
At the beginning of the year	21,696,084	43,392,168	19,280,382	38,560,764
Add: Issue of Shares on exercise of ESOP's.	427,977	855,954	2,415,702	4,831,404
At the end of the year	22,124,061	44,248,122	21,696,084	43,392,168

### e) Shareholders holding more than 5% shares in the Company

Name of the shareholder	2017		2016	
	No.of Shares held	% total holding	No.of Shares held	% total holding
1 C.K.Shastri	1,714,792	7.75	1,714,792	7.90
2 Tikam Sujjan	2,275,802	10.29	2,275,802	10.49
3 Jayant Dwarkanath	1,285,635	5.81	1,285,635	5.93

**Intense Technologies Limited**  
**Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.**

(Amount in ₹)

	As at 31.03.2017	As at 31.03.2016
<b>3 Reserves &amp; Surplus</b>		
Share Premium	292,180,110	286,503,099
Warrants Forfeiture	20,802,500	20,802,500
Employee Stock Options Outstanding	3,376,989	9,054,000
Balance in Profit & Loss Account	359,712,487	235,399,707
	<b>676,072,086</b>	<b>551,759,306</b>
<b>4 Non-current Liabilities</b>		
Provision for Gratuity	29,194,924	22,382,064
Long-term provisions	1,086,336	1,953,063
	<b>30,281,260</b>	<b>24,335,127</b>
<b>5 Bank Overdraft</b>	<b>23,866,977</b>	-
Axis Bank, Secunderabad Branch (against Accounts Receivables & Hyphothecation of Fixed Deposits)		
State Bank of Hyderabad, Commercial Branch, Secunderabad (against Hyphothecation of Fixed Deposits)	-	<b>40,513,024</b>
	<b>23,866,977</b>	<b>40,513,024</b>
<b>6 Trade Payables</b>	<b>55,867,484</b>	<b>1,320,707</b>
<b>7 Short-term provisions</b>		
Provision for Expenses	34,775,347	32,941,984
MAT/Income Tax	60,550,000	2,440,000
Sales Tax	84,001	131,501
Service Tax	11,483,244	4,938,533
TDS	2,986,288	2,267,323
	<b>109,878,880</b>	<b>42,719,341</b>
<b>8 Advance from Customers</b>	<b>992,330</b>	-

# Intense Technologies Limited

## 9. Fixed Assets

(Amount in ₹)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2016	Additions	Deletions	Total 31.03.2017	As at 01.04.2016	Additions	Deletions	Total 31.03.2017	As at 31.03.2017	As at 31.3.2016
<b>Tangible Assets</b>										
Buildings	15,725,463	-	-	15,725,463	8,886,677	332,942	-	9,219,619	6,505,844	6,838,786
Computers & Software	117,378,060	79,119,184	-	196,497,244	109,598,438	27,081,308	-	136,679,746	59,817,498	7,779,622
Furniture & Fixtures	19,155,136	-	-	19,155,136	17,170,773	700,479	-	17,871,252	1,283,884	1,984,363
Office Equipment	15,170,350	82,804	-	15,253,154	14,631,998	215,124	-	14,847,122	406,032	538,352
Vehicle	7,145,908	-	-	7,145,908	4,862,348	598,593	-	5,460,941	1,684,967	2,283,560
<b>Intangible Assets</b>										
Product Development	8,026,991	-	-	8,026,991	1,605,398	1,605,398	-	3,210,796	4,816,195	6,421,593
	<b>182,601,908</b>	<b>79,201,988</b>	<b>-</b>	<b>261,803,896</b>	<b>156,755,632</b>	<b>30,533,844</b>	<b>-</b>	<b>187,289,476</b>	<b>74,514,420</b>	<b>25,846,276</b>
Previous Year	166,359,642	16,242,266	-	182,601,908	141,175,109	15,580,523	-	156,755,632	25,846,276	25,184,533

# Intense Technologies Limited

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.

(Amount in ₹)

		As at 31.03.2017	As at 31.03.2016
<b>10</b>	<b>Non-current Investments</b>		
	(a) Subsidiaries	6,563,216	7,076,766
	(b) Associates	---	---
	(c) Joint Ventures	---	---
	(d) SPV	---	---
	(e) Investments in equity shares in other listed entities		
	Aggregate Value at cost of investments	37,343	37,343
	(Aggregate Market Value as on 31.03.2017 ₹ 106,068 previous year ₹ 102,068)		
		<b>6,600,559</b>	<b>7,114,109</b>
<b>11</b>	<b>Other Non-Current Assets</b>		
i)	<b>Misc.Expenditure</b>		
	Preliminary & Issue Expenses	645,707	1,291,414
	Less: written off	645,707	645,707
	<b>Sub-total</b>	<b>-</b>	<b>645,707</b>
ii)	Deferred Employee Compensation Expense	1,494,530	3,758,030
iii)	Related Party Advances - Unsecured considered good	6,777,475	10,859,766
iv)	Gratuity Fund	5,097,849	6,200,222
v)	TDS	75,013,639	40,619,600
vi)	Advances	2,364,083	2,374,661
vii)	Deposits	5,163,646	4,582,631
viii)	EMDs	1,036,098	15,638,598
	<b>Sub-total</b>	<b>96,947,320</b>	<b>84,033,508</b>
	<b>Total</b>	<b>96,947,320</b>	<b>84,679,215</b>
<b>12</b>	<b>Trade Receivables - Unsecured considered good</b>		
	Due for more than six months	103,927,774	80,728,446
	Others	234,615,892	194,431,752
		<b>338,543,666</b>	<b>275,160,198</b>
<b>13</b>	<b>Cash and Cash equivalents</b>		
a)	Balance with banks	102,685,135	41,356,641
b)	Cash on hand	78,895	114,027
c)	Deposits maturing after 12 months	24,420,601	109,446,571
d)	Deposits held as margin money against bank guarantee	74,900,000	15,000,000
		<b>202,084,631</b>	<b>165,917,239</b>
<b>14</b>	<b>Other Current Assets</b>		
	Loans & Advances - Unsecured considered good		
	Staff Advances	1,073,706	1,601,573
	Advances to Subsidiaries	185,038,566	109,632,976
	Other Advances	13,619,519	9,584,196
		<b>199,731,791</b>	<b>120,818,745</b>

# Intense Technologies Limited

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.

(Amount in ₹)

	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>15 Revenue from operations (Net)</b>		
From Sale of Products	96,356,690	60,436,020
From Services	605,432,819	359,591,962
	<b>701,789,509</b>	<b>420,027,982</b>
<b>16 Other Income</b>		
Dividend Received	1,875	1,746
Interest	6,372,832	18,616,555
Foreign Exchange Fluctuations	3,626,639	15,503,247
Expected Return on Plan Assets	453,671	721,177
	<b>10,455,017</b>	<b>34,842,725</b>
<b>17 Operating Expenses</b>		
AMC Charges	2,373,040	3,355,156
Consumables	998,535	775,417
Electricity Charges	5,579,852	4,945,804
Repairs & Maintenance	1,052,995	957,454
	<b>10,004,422</b>	<b>10,033,831</b>
<b>18 Personnel</b>		
Salaries	277,597,898	267,335,641
Actuarial Loss	6,645,975	2,329,110
Employee Compensation Expense	2,263,500	2,263,500
Gratuity	3,523,947	3,600,821
Group Medical Insurance to Staff	4,697,372	3,842,613
Staff Welfare	16,282,539	13,165,568
	<b>311,011,231</b>	<b>292,537,253</b>

# Intense Technologies Limited

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.

(Amount in ₹)

	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>19 Administrative &amp; Marketing Expenses</b>		
Advertisement	112,924	204,563
AGM/EGM Expenses	93,697	506,264
Audit fees		
Statutory Audit Fees	450,000	450,000
Singapore Branch Audit Fees	201,753	244,000
Bad Debts written off	16,171,021	-
Books,Periodicals& News Papers	51,315	49,645
Business Promotion	700,734	1,074,342
Commission & Brokerage	380,000	194,000
Directors Remuneration	13,600,000	11,600,000
General charges	4,907,633	2,554,629
Housekeeping Expenses	584,210	770,327
Insurance	518,271	585,224
Office Maintenance	2,070,821	1,220,483
Courier and Postage	490,428	611,233
Printing & Stationery	694,420	515,082
Professional Charges	35,897,437	23,121,133
Rates & Taxes	5,059,298	5,279,040
Rent	9,996,975	6,286,262
Scanning charges	13,297,984	2,113,616
Security Services	468,141	517,781
Seminar & Training Charges	803,509	260,301
Telephones	7,743,420	7,981,219
Travelling Expenses	45,384,396	57,488,501
Vehicle Insurance	92,919	97,345
	<b>159,771,306</b>	<b>123,724,990</b>
<b>20 Financial Charges</b>		
Bank Charges & Commission	6,858,267	1,416,121
Interest on Vehicle Loan	154,025	236,864
Interest on OD A/c	1,593,839	6,210,765
	<b>8,606,131</b>	<b>7,863,750</b>
<b>21 Misc.Expenses written off</b>		
Pref. Issue Expenses	417,143	417,143
Preliminary Expenses	30,831	30,831
Public Issue Expenses	197,733	197,733
	<b>645,707</b>	<b>645,707</b>

# Intense Technologies Limited

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.

(Amount in ₹)

		Year Ended 31.03.2017	Year Ended 31.03.2016
22	<b>Earnings per share (Face value ₹ 2/- each)</b>		
	A. Numerator for earning per share	137,767,860	2,044,653
	B. Denominator for basic earning per share	22,124,061	21,696,084
	C. Denominator for diluted earning per share	22,375,282	23,311,786
	D. Basic earning per share (A/B)	6.23	0.09
	E. Diluted earning per share (A/C)	6.16	0.09

23. The previous years figures have been recast/restated/regrouped, wherever necessary, to conform to the current period's classification.

24. Balances of various parties, debtors and creditors are subject to confirmation.

### 25. Quantitative Details:

The Company is engaged in development and maintenance of software products, solutions and related services. The production and sale of such software products, solutions and related services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required.

(₹ in lakhs)

	2016-2017	2015-2016
<b>Contingent Liabilities :</b>		
Counter Guarantees given to Banks towards issue of B.G.s	<b>1890.00</b>	150.00
Outstanding Bank Guarantees	<b>1890.00</b>	150.00
<b>Managerial Remuneration :</b>		
Managing & Whole time Directors	<b>136.00</b>	116.00
<b>Expenditure in Foreign Currency :</b>		
Travel Expenses	<b>113.68</b>	197.07
Other Expenditure incurred	<b>38.50</b>	60.46
Transferred for Singapore Branch Expenses	<b>176.22</b>	156.57
Transferred to Subsidiaries	<b>766.31</b>	643.02



**26. Segment Reporting:**

The Company's operations predominantly relates to software product development, hence no reportable primary segment information is made. The secondary segment reporting of the company's revenues are as follows:

Name of the Country	Turnover (₹ in Lakhs)
Bahrain	3.81
Bangladesh	22.56
Germany	11.77
Indonesia	33.45
Ireland	20.36
Nigeria	293.40
Oman	21.36
South Africa	502.47
Sri Lanka	22.38
UAE	368.04
UK	692.46
USA	223.76
<b>Total</b>	<b>2,215.82</b>

**27. Prior Period Items**

Prior period item of ₹ 50.90 lakhs net of credit items of ₹ 22.95 lakhs and debit items of ₹ 73.85 lakhs.

**28. Deferred Tax Assets/Liabilities:**

Deferred tax asset was provided as per AS-22, accounting for taxes on income.

**29. Impairment of Fixed Assets:**

As per AS-28 on "Impairment of Assets", all assets other than current assets, investments and deferred tax assets are reviewed for impairment wherever event/s or changes in circumstances indicate that carrying of amount of those assets may not be recoverable.

**30. Overseas Branch Accounts & Audit:**

We have considered the Auditor's Report dated 6th May 2016 of Sashi Kala Devi Associates, Singapore, Auditors of Singapore Branch in framing our Audit Report.

**31. Amounts paid/payable to Auditors:**

	2016-17 (₹)	2015-16 (₹)
Statutory Audit Fee	450,000	450,000
Tax Audit Fees	50,000	50,000
Certification	304,500	309,625
Branch Auditors	201,753	125,763

**32. Disclosure on Specified Bank Notes**

(Amount in ₹)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash as on 08.11.2016	50,000	15,005	65,005
(+) Permitted Receipts (drawings from banks)	-	344,700	344,700
(-) Permitted Payments	-	314,681	314,681
(-) Amount Deposited in Banks	50,000	-	50,000
Closing Cash in Hand as on 30.12.2016	-	45,024	45,024

**33. Related Party Disclosures:**

- A) Key Managerial Personnel
- (i) Mr. C.K. Shastri, Chairman and Managing Director
  - (ii) Mr. Jayant Dwarkanath, Wholetime Director
  - (iii) Mr. H.Madhukar Nayak, Head-Finance
  - (iv) Ms. K.Tejaswi, Company Secretary & Compliance Officer
- B) Relatives of Key Managerial Personnel
- (i) Ms. Anisha Shastri Chidella, daughter of Chairman and Managing Director worked as a Senior Business Consultant till 8th August 2016.
- C) Enterprises in which Key Managerial Personnel 14(A) above has significant influence:
- (i) M/s. Kytes IT Services Pvt Ltd
  - (ii) M/s. i-Trace Nanotech Pvt Ltd
  - (iii) M/s. Pavisara Greentech Pvt Ltd

**Summary of the transactions and balances with related parties are as follows:**

(Amount in ₹)

Particulars	Kytes IT Services Pvt Ltd	Intense Technologies FZE	Intense Technologies INC	Intense Technologies UK Ltd
Opening Balance (Debit)	10,859,766	51,632,851	42,216,460	51,374,156
Interest charged	880,338	-	-	-
Advances paid	1,766,655	12,141,945	26,808,400	39,109,593
Sales	-	36,803,558	19,012,500	-
Total	13,506,759	100,578,354	88,037,360	90,483,749
Less: Purchases	6,641,250	-	-	-
Payments received from	88,034	17,353,472	21,437,290	-
Closing Balance (Debit)	<b>6,777,475</b>	<b>83,224,882</b>	<b>66,600,070</b>	<b>90,483,749</b>

Investments	--	395,750	6,157,250	10,216
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**34. Remuneration to Management Personnel:****(Amount in ₹)**

(i)	C.K.Shastri – Chairman & Managing Director	6,800,000/-
(ii)	Jayant Dwarkanath – Wholetime Director	6,800,000/-
		<u><b>13,600,000/-</b></u>

**35. Employees Benefits:**

As per Accounting Standard 15 “Employee Benefits” the disclosures of Employee Benefit, as defined in Accounting Standard are given below

**(Amount in ₹)**

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Employer’s contribution to Provident Fund	2,295,042	2,155,493
Employer’s contribution to Pension Fund	5,207,604	4,890,669
<b>Total</b>	<b>7,502,646</b>	<b>7,046,162</b>

### 36. Gratuity Report under AS-15 (rev) as on 31.03.2017

The Present Value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Gratuity Report under AS-15 (rev) for the year ended 31st March 2017.

#### 1 Table Showing the changes in present value of obligations as on 31/03/2017

(Amount in ₹)

a.	Present value of obligations at the beginning of the year	22,382,064
b.	Interest cost	1,790,565
c.	Current service cost	1,733,382
d.	Benefits paid-Actuals	(3,357,062)
e.	Expected liability at the year end	22,548,949
f.	Present value of obligations at the end of the year	29,194,924
g.	Actuarial Loss/gain (LOSS)	6,645,975

#### 2 Changes in fair value of Assets

a.	Fair Value of Assets at the beginning of the year	6,200,222
b.	Expected return on plan assets	453,671
c.	Contributions	1,801,018
d.	Benefits paid	(3,357,062)
e.	Actuarial gain/loss on plan assets	Nil
f.	Fair Value of Assets at the end of the year	5,097,849

#### 3 Table showing fair value of plan assets

a.	Fair value of plan assets at the beginning of the year	6,200,222
b.	Actual return on plan assets	453,671
c.	Contributions	1,801,018
d.	Benefits paid	(3,357,062)
e.	Fair value of plan assets at the end of the year	5,097,849
f.	Funded Status	(24,097,075)
g.	Excess of Actual over estimated return on plan assets	Nil

#### 4 Actuarial Loss or Gain recognized

31-03-2017

a.	Actuarial Loss / gain for the year-Obligation	(6,645,975)
b.	Actuarial Loss / gain for the year-plan assets	-
c.	Total Loss for the year	(6,645,975)
d.	Actuarial Loss recognized	(6,645,975)

#### 5 Amounts to be recognized in the balance sheet and statements of P&L

a.	PV of obligations as at the end of the year	29,194,924
b.	Fair Value of Assets at the end of the year	5,097,849
c.	Funded Status	(24,097,075)
d.	Net liability / Asset recognized in balance sheet	(24,097,075)

#### 6 Expenses Recognized in statement of P&L

a.	Current Service Cost	1,733,382
b.	Interest Cost	1,790,565
c.	Expected return on plan assets	453,671
d.	Net Actuarial gain / Loss recognized in the year	(6,645,975)
e.	Expenses recognized in statement of Profit & Loss	9,716,251

#### 7 Valuation Method

Projected Unit Credit Method

#### 8 Actuarial Assumptions

a.	Mortality Rate	LIC (1994-96) ultimate
b.	Withdrawal Rate	1% to 3% depending age
c.	Discount Rate	8% p.a.
d.	Salary Escalation	6% p.a.

# INDEPENDENT AUDITOR'S REPORT

To The Members of Intense Technologies Limited

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Intense Technologies Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated statement of affairs of the Group, as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Other Matters

We did not audit the financial statements of the subsidiaries Intense Technologies FZE, UAE and Intense Technologies USA, and Intense Technologies UK statements reflect total assets of ₹ 4.77 Crores at March 31, 2017, total revenues of ₹ 5.68 Crores and net cash outflows amounting to ₹ 0.12 Crores for the year ended on that date, as considered in the consolidated financial and also Intense Technologies Ltd Singapore branch of the company. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors. We have also not conducted audit of the Singapore Branch, and relied on the auditor's report of the subject branch.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company. None of the directors of the Group companies is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. As per the information and explanations provided to us by the Company there would be no impact of pending litigations on financial position in its consolidated financial statements.

- b. The Company did not have any material foreseeable losses relating to long-term contracts including derivative contracts.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Company.
- d. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on management representation, we report that the disclosures are in accordance with books of accounts maintained by the Company and produced to us by Management. Refer Note 26 to the financial statements.

For Srinivas P. & Associates

Chartered Accountants  
Firm Regn.No.006987S

CA.P.Srinivas

Proprietor  
Membership No. 204098

Place: Hyderabad  
Date: 30<sup>th</sup> May, 2017



## Annexure “A” to the Independent Auditor’s Report on the Consolidated Financial Statements

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report on the consolidated financial statements of even date)

- i. Our reporting on the Order includes holding company only, three subsidiary companies and one branch, to which the Order is not applicable. However we have considered other auditor’s report to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.
- ii. Having regard to the nature of the business of the Holding Company, during the year, clauses (ii), (v), (vi), (viii), (ix), (x) and (xi) of paragraph 3 of the Order are not applicable to the Holding Company, Subsidiary Companies.
- iii. In respect of the fixed assets of the Holding Company.
  - a) The respective entities have maintained proper records showing particulars, including quantitative details and situation of the fixed assets.
  - b) All the fixed assets have been physically verified by the Management in accordance with a phased programme of verification, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- iv. According to the information and explanations given to us, the Holding Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans: There are delays in receipt of interest and principal amount and the account is over due at the end of the year.
- v. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of its business for the purchase of fixed assets and for the sale of services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- vi. According to the information and explanations given to us in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Excise Duty is not applicable to the Company.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable. Excise Duty is not applicable to the Company.
  - c) There are no disputed dues of Income tax, Wealth Tax, Customs Duty and Cess which have not been deposited as on March 31, 2017. Excise Duty is not applicable to the Company. There is a demand ` .2.08 crores from the service tax department, which the company is contesting.
  - d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
- vii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- viii. In our opinion and according to the information and explanations given to us the Holding Company has not defaulted in the repayment of dues to financial institutions and banks. The Holding Company, subsidiary companies and jointly controlled entity incorporated in India have not issued any debentures.

- ix. According to the information and explanations given to us, the Holding Company, subsidiary companies have not given guarantees for loans taken by others from banks and financial institutions.
- x. To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India and no material fraud on the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India has been noticed or reported during the year.

For Srinivas P. & Associates

Chartered Accountants  
Firm Regn.No.006987S

CA.P.Srinivas

Proprietor  
Membership No. 204098

Place: Hyderabad  
Date: 30<sup>th</sup> May, 2017

## **Annexure “B” to the Independent Auditors’ Report**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Intense Technologies Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Srinivas P. & Associates**

Chartered Accountants  
Firm Regn.No.006987S

**CA.P.Srinivas**

Proprietor  
Membership No. 204098

Place: Hyderabad

Date: 30<sup>th</sup> May, 2017

# Intense Technologies Limited

## Consolidated Balance Sheet as at 31<sup>st</sup> March 2017

(Amount in ₹)

	Note	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	44,248,122	43,392,168
(b) Reserves & Surplus	3	478,188,366	422,381,878
(c) Currency Translation Reserve		(9,787,514)	5,257,763
<b>(2) Non-current liabilities</b>	4	30,281,260	24,335,127
<b>(3) Current Liabilities</b>			
(a) Bank Overdraft	5	23,866,977	40,513,024
(b) Trade Payables	6	58,975,575	3,450,066
(c) Short-term Provisions	7	114,440,412	45,127,350
(d) Advance from Customers	8	145,959	-
<b>TOTAL</b>		<b>740,359,157</b>	<b>584,457,376</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets	9	74,562,462	25,933,444
(b) Non-current investments	10	37,343	37,343
(c) Deferred Tax Asset		22,784,752	24,503,891
(d) Other non-current assets	11	96,947,320	84,679,215
<b>(2) Current Assets</b>			
(a) Trade Receivables	12	312,424,371	265,951,973
(b) Cash and Cash equivalents	13	209,204,140	171,853,718
(c) Other current assets	14	15,389,872	11,497,792
(d) Work in Process		9,008,897	-
<b>TOTAL</b>		<b>740,359,157</b>	<b>584,457,376</b>
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of the financial statements in terms of our Report of even date.

Srinivas P. & Associates  
Chartered Accountants  
Firm Regn.No.006987S

For and on behalf of the Board

CA.P.Srinivas  
Proprietor  
Membership No.204098

C. K. Shastri  
Managing Director

Jayant Dwarkanath  
Director

Place: Secunderabad  
Date : 30<sup>th</sup> May, 2017

K.Tejaswi  
Company Secretary

# Intense Technologies Limited

## Consolidated Statement of Profit & Loss for the year ended 31st March 2017

(Amount in ₹)

	Note	Year Ended 31.03.2017	Year Ended 31.03.2016
I.Revenue from Operations	15	702,839,839	438,101,372
II.Other Income	16	10,473,063	34,878,888
<b>III.Total Revenue (I+II)</b>		<b>713,312,902</b>	<b>472,980,260</b>
<b>IV.Expenses</b>			
Operating Expenses	17	16,822,155	34,626,414
Personnel	18	311,011,231	292,537,253
Administrative & Marketing Expenses	19	245,725,336	206,342,433
Financial Charges	20	8,606,131	7,863,750
Work in Process		(9,008,897)	-
Exchange differences on translation of foreign operations		(110,037)	-
Depreciation and amortization		30,572,970	15,580,523
Misc.Expenses written off	21	645,707	645,707
<b>Total Expenses</b>		<b>604,264,596</b>	<b>557,596,080</b>
V.Profit/(Loss) before tax (III-IV)		109,048,306	(84,615,820)
VI.Tax Expense			
(a) Income Tax		60,550,000	2,440,000
(b) Deferred Tax Asset/(Liability)		(1,719,139)	3,328,619
VII.Profit/(Loss) after tax		46,779,167	(83,727,201)
VIII.Prior Period Items		(5,089,966)	(14,673,896)
IX.Balance Carried forward		<b>41,689,201</b>	<b>(98,401,097)</b>
X.Earnings per share (Face Value ₹ 2/- each)	22		
(a) Basic		<b>2.49</b>	<b>(4.01)</b>
(b) Diluted		<b>2.46</b>	<b>(3.73)</b>

The accompanying notes are an integral part of the financial statements in terms of our Report of even date

Srinivas P. & Associates

Chartered Accountants

Firm Regn.No.006987S

For and on behalf of the Board

CA.P.Srinivas

Proprietor

Membership No.204098

C. K. Shastri

Managing Director

Jayant Dwarkanath

Director

Place: Secunderabad

Date : 30<sup>th</sup> May, 2017

K.Tejaswi

Company Secretary

# Intense Technologies Limited

## Consolidated Cash Flow Statement for the year ended 31st March 2017

	(Amount in ₹)	
	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>A. Cash Flow from operating Activities</b>		
Net Profit/(Loss) before tax	109,048,306	(75,671,452)
<b>Adjustment for:</b>		
Depreciation	30,533,844	15,580,523
Miscellaneous Expenses written off	645,707	645,707
Income Tax	(60,550,000)	(2,440,000)
Other Income	(10,473,063)	(34,872,891)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>69,204,794</b>	<b>(96,758,113)</b>
<b>Adjustment for :</b>		
(Increase)/Decrease in Trade Receivables	(68,783,058)	14,158,578
(Increase)/Decrease in Other Current Assets	(78,913,046)	(66,491,465)
(Increase)/Decrease in Other Non-Current Assets	(12,913,812)	9,458,519
(Increase)/Decrease in Inventories	(9,008,897)	17,026,780
Increase/(Decrease) in Non-current Liabilities	5,946,133	761,011
Increase/(Decrease) in Current Liabilities	126,172,395	(7,317,184)
<b>Cash generated from Operations</b>	<b>31,704,509</b>	<b>129,161,874</b>
Prior Period Items	(5,089,966)	(14,673,896)
<b>Net Cash Flow from Operating Activities</b>	<b>26,614,543</b>	<b>(143,835,770)</b>
<b>B. Cash Flow from investing Activities</b>		
(Increase)/Decrease in Fixed Assets	(79,175,569)	(2,104,948)
(Increase)/Decrease in Non-current Investments	513,550	(513,550)
Other Income Received	10,473,063	34,872,891
<b>Net Cash used in investing activities</b>	<b>(68,188,956)</b>	<b>32,254,393</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	855,954	4,831,404
Net Movements in Shareholder's Current Account	95,063,840	56,120,447
Increase/(Decrease) in Bank Overdraft	(16,646,047)	(23,537,579)
Increase/(Decrease) in Currency Translation Reserve	(348,912)	484,093
<b>Net cash generated from Financing Activities</b>	<b>78,924,835</b>	<b>37,898,365</b>
Cash & Cash equivalents utilised (A+B+C)	37,350,422	(73,683,012)
Cash & Cash equivalents (Opening Balance)	171,853,718	245,536,730
Cash & Cash equivalents (Closing Balance)	209,204,140	171,853,718

The accompanying notes are an integral part of the financial statements in terms of our Report of even date

Srinivas P. & Associates  
Chartered Accountants  
Firm Regn.No.006987S

For and on behalf of the Board

CA.P.Srinivas  
Proprietor  
Membership No.204098

C. K. Shastri  
Managing Director

Jayant Dwarkanath  
Director

Place: Secunderabad  
Date : 30<sup>th</sup> May, 2017

K. Tejaswi  
Company Secretary



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. SIGNIFICANT ACCOUNTING POLICIES:

### 1.1 Basis of accounting and preparation of the consolidated financial statements

i) The financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The financial statements of the subsidiary companies used in consolidation are drawn up to the same reporting date as at Intense Technologies Limited.

Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use. Where a change in accounting policy is necessitated due to changed circumstances, detailed disclosures to that effect along with the impact of such change is duly disclosed in the consolidated financial statements.

ii) The Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### 1.2. Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiaries have been combined on a line-by line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealised profits and losses have been fully eliminated.

ii) The consolidated financial statements include the share of profit / loss of subsidiary company, which are accounted under Equity method as per which the share of profit / loss is adjusted to the cost of investment.

iii) The excess of cost to the Group of its investments in its subsidiary companies over its share of the equity at the dates on which the investments are made, is recognised as Goodwill (on Consolidation), being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of the investment of the Group, it is recognised as Capital Reserve (on Consolidation) and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

iv) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments are made in the subsidiary company and future movements in the share of the equity, subsequent to the dates of investment.

v) On disposal of a subsidiary, the attributable goodwill is included in the determination of the profit and loss on disposal.

### 1.3. Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenditure during the year. Examples include provisions for doubtful debts, provision for employee benefits, provision for taxation, useful lives of depreciable assets, provisions for impairment, provision for contingencies, provision for warranties/ discounts etc. The management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

Future results could differ from those estimates. The effects of changes in accounting estimates are reflected in the financial statements in the period in which results are known and, if material, are disclosed in the financial statements.

## **1.4. Accounting Concepts**

The Company follows the Historical cost convention and the mercantile system of accounting where the income and expenditure are recognized on accrual basis.

## **1.5. Revenue Recognition**

Revenue from software products is recognized when the sale has been completed with raising of invoice from the company.

Revenue from software development on a time and material basis is recognized based on software developed and billed to clients as per the terms of specific contracts.

Revenue from digitization is identified when the specific milestone is achieved and invoice is raised.

## **1.6. Expenditure**

Expenses are accounted on the accrual basis and provisions are made for all known and expected expenses, losses and liabilities.

## **1.7. Fixed Assets**

Fixed assets are stated at the cost of acquisition, less accumulated depreciation. Direct costs are capitalized till the assets are ready to be put to use. These costs include financing costs relating to acquisition of assets.

## **1.8. Depreciation**

Depreciation on tangible assets is provided on written down value method over useful life of assets as per section 123(2) of the Companies Act 2013, in accordance of provisions of Schedule II.

## **1.9. Product Development and Research**

Initial Expenditure incurred on Research and Development of products, promotional expenditure of new products and existing products have been capitalized and amortized over a period of time.

## **1.10. Foreign Currency Transactions**

Sales made to clients outside India have been accounted based on the rate prevailing on the date of invoice. Expenditure in foreign currency is accounted at the exchange rate prevalent when such expenditure is incurred. All monetary items denominated in foreign currency are reflected at the rates prevailing on the Balance Sheet date. Exchange differences, if any, arising on account of fluctuation in foreign exchange have been duly reflected in the profit and loss account in case of revenue transactions and capitalized in case of transactions having capital nature.

## **1.11. Investments**

Investments are stated at cost of acquisition, no provision has been made towards diminution in the value of investments.

## **1.12. Income tax**

Provision is made for income tax on a yearly basis, under the tax-payable method, based on the tax liability as computed after considering the prevailing exemptions available as per the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence on timing of difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

## **1.13. Trade Receivables, Loans & Advances**

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.

## **1.14. Prior Period Expenses/Income**

Prior period items, if material are separately disclosed in the Statement of Profit & Loss.

### **1.15. Earning Per Share**

The earnings considered in ascertaining Earnings Per Share (EPS) comprises the net profit after tax (and includes the post tax effect of any extraordinary items). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The Number of shares used in computing the diluted EPS comprises weighted average number of shares considered for deriving Basic EPS and also weighted average of the number of equity shares which could have been issued on conversion of dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at the fair value (i.e. average market value of the outstanding shares.)

### **1.16. Employee Benefits**

Contribution to schemes such as Provident Fund and Employee State Insurance Scheme are charged to profit and loss account on accrual basis. The Company also provides for other retirement benefits in the form of gratuity under the Payment of Gratuity Act, 1972 based on an actuarial valuation made by an independent actuary as at the balance sheet date. The cost of leave encashment made to employees is considered as expenses on actual basis.

### **1.17. Employee Stock Option Scheme**

Stock options granted to employees under the stock option schemes are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India. Accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to profit and loss account on straight line basis over the vesting period of the options. The unamortized portion of the deferred employee compensation is shown under Reserves and Surplus.

### **1.18. Sales**

Sale of product/service is exclusive of sales tax/service tax.

### **1.19. Borrowing Cost**

Borrowing Cost on qualifying asset is considered for capitalization when the expenditure on qualifying asset and borrowing cost are incurred.

### **1.20. Segment Reporting**

The Company's operations predominantly relates to software products development, hence no reportable primary segment information is made.

### **1.21. Consolidated Financial Figures**

This is the first year of Consolidated Financial Figures and accordingly previous year figures are not applicable.

## Intense Technologies Limited

### Notes to the Consolidated Financial Statements for the year ended 31st March 2017.

		2017		2016	
		No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
<b>2</b>	<b>Share Capital</b>				
<b>a)</b>	<b>Authorised Share Capital</b>				
	Equity Shares of ₹ 2/- each	250,000,000	500,000,000	250,000,000	500,000,000
		250,000,000	500,000,000	250,000,000	500,000,000
<b>b)</b>	<b>Issued, subscribed and fully paid up share capital</b>				
	Equity Shares of ₹ 2/- each	22,124,061	44,248,122	21,696,084	43,392,168
		22,124,061	44,248,122	21,696,084	43,392,168

**c) Rights of shareholders :**

The Company has only one class of equity shareholders. Each holder of equity shares is entitled to one vote per share.

**d) Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	2017		2016	
	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
At the beginning of the year	21,696,084	43,392,168	19,280,382	38,560,764
Add: Issue of Shares on exercise of ESOP's.	427,977	855,954	2,415,702	4,831,404
At the end of the year	22,124,061	44,248,122	21,696,084	43,392,168

**e) Shareholders holding more than 5% shares in the Company**

Name of the shareholder	2017		2016	
	No.of Shares held	% total holding	No.of Shares held	% total holding
1 C.K.Shastri	1,714,792	7.75	1,714,792	7.90
2 Tikam Sujan	2,275,802	10.29	2,275,802	10.49
3 Jayant Dwarkanath	1,285,635	5.81	1,285,635	5.93

# Intense Technologies Limited

## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

(Amount in ₹)

	As at 31.03.2017	As at 31.03.2016
<b>3 Reserves &amp; Surplus</b>		
Share Premium	292,180,110	286,503,099
Warrants Forfeiture	20,802,500	20,802,500
Employee Stock Options Outstanding	3,376,989	9,054,000
Balance in Profit & Loss Account	161,828,767	106,022,279
	<b>478,188,366</b>	<b>422,381,878</b>
<b>4 Non-current Liabilities</b>		
Provision for Gratuity	29,194,924	22,382,064
Long-term provisions	1,086,336	1,953,063
	<b>30,281,260</b>	<b>24,335,127</b>
<b>5 Bank Overdraft</b>	<b>23,866,977</b>	-
Axis Bank, Secunderabad Branch (against Accounts Receivables & Hypothecation of Fixed Deposits)		
State Bank of Hyderabad, Commercial Branch, Secunderabad	-	<b>40,513,024</b>
(against Hypothecation of Fixed Deposits)	<b>23,866,977</b>	<b>40,513,024</b>
<b>6 Trade Payables</b>	<b>58,975,575</b>	<b>3,450,066</b>
<b>7 Short-term provisions</b>		
Provision for Expenses	39,336,879	35,349,993
MAT/Income Tax	60,550,000	2,440,000
Sales Tax	84,001	131,501
Service Tax	11,483,244	4,938,533
TDS	2,986,288	2,267,323
	<b>114,440,412</b>	<b>45,127,350</b>
<b>8 Advance from Customers</b>	145,959	-

## Notes to Consolidated Financial Statements for the year ended 31st March 2017.

(Amount in ₹)

(Amount in ₹)

# Intense Technologies Limited

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2017.

(Amount in ₹)

	As at 31.03.2017	As at 31.03.2016
<b>10 Non-current Investments</b>		
(a) Subsidiaries	---	---
(b) Associates	---	---
(c) Joint Ventures	---	---
(d) SPV	---	---
(e) Investments in equity shares in other listed entities		
Aggregate Value at cost of investments	37,343	37,343
(Aggregate Market Value as on 31.03.2017 ₹ 106,068 previous year ₹ 102,068)		
	<b>37,343</b>	<b>37,343</b>
<b>11 Other Non-Current Assets</b>		
i) <b>Misc.Expenditure</b>		
Preliminary & Public Issue Expenses	645,707	1,291,414
Less: written off	645,707	645,707
<b>Sub-total</b>	<b>-</b>	<b>645,707</b>
ii) Deferred Employee Compensation Expense	1,494,530	3,758,030
iii) Related Party Advances - Unsecured considered good	6,777,475	10,859,766
iv) Gratuity Fund	5,097,849	6,200,222
v) TDS	75,013,639	40,619,600
vi) Advances	2,364,083	2,374,661
vii) Deposits	5,163,646	4,582,631
viii) EMDs	1,036,098	15,638,598
<b>Sub-total</b>	<b>96,947,320</b>	<b>84,033,508</b>
<b>Total</b>	<b>96,947,320</b>	<b>84,679,215</b>
<b>12 Trade Receivables - Unsecured considered good</b>		
Due for more than six months	77,194,881	65,626,590
Others	235,229,490	200,325,383
	<b>312,424,371</b>	<b>265,951,973</b>
<b>13 Cash and Cash equivalents</b>		
a) Balance with banks	109,804,644	47,293,120
b) Cash on hand	78,895	114,027
c) Deposits maturing after 12 months	24,420,601	109,446,571
d) Deposits held as margin money against bank guarantee	74,900,000	15,000,000
	<b>209,204,140</b>	<b>171,853,718</b>
<b>14 Other Current Assets</b>		
<b>Loans &amp; Advances - Unsecured considered good</b>		
Staff Advances	1,073,706	1,601,573
Other Advances	14,316,166	9,896,219
	<b>15,389,872</b>	<b>11,497,792</b>



# Intense Technologies Limited

## Notes to the Consolidated Financial Statements for the year ended 31st March 2017.

(Amount in ₹)

	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>15 Revenue from operations (Net)</b>		
From Sale of Products	76,988,072	70,647,306
From Services	625,851,767	367,454,066
	<b>702,839,839</b>	<b>438,101,372</b>
<b>16 Other Income</b>		
Dividend Received	1,875	1,746
Interest	6,390,878	18,646,739
Foreign Exchange Fluctuations	3,626,639	15,509,226
Expected Return on Plan Assets	453,671	721,177
	<b>10,473,063</b>	<b>34,878,888</b>
<b>17 Operating Expenses</b>		
AMC Charges	2,373,040	3,355,156
Consumables	7,816,268	25,368,000
Electricity Charges	5,579,852	4,945,804
Repairs & Maintenance	1,052,995	957,454
	<b>16,822,155</b>	<b>34,626,414</b>
<b>18 Personnel</b>		
Salaries	277,597,898	267,335,641
Actuarial Loss	6,645,975	2,329,110
Employee Compensation Expense	2,263,500	2,263,500
Gratuity	3,523,947	3,600,821
Group Medical Insurance to Staff	4,697,372	3,842,613
Staff Welfare	16,282,539	13,165,568
	<b>311,011,231</b>	<b>292,537,253</b>

# Intense Technologies Limited

## Notes to the Consolidated Financial Statements for the year ended 31st March 2017

(Amount in ₹)

	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>19 Administrative &amp; Marketing Expenses</b>		
Advertisement	112,924	204,563
AGM/EGM Expenses	93,697	506,264
Audit fees		
Statutory Audit Fees	450,000	450,000
Singapore Branch Audit Fees	201,753	244,000
Bad Debts Written off	16,171,021	-
Books,Periodicals& News Papers	51,315	49,645
Business Promotion	2,576,352	2,259,718
Commission & Brokerage	380,000	194,000
Depreciation	-	27,795
Directors Remuneration	13,600,000	11,600,000
General charges	15,717,259	4,342,264
Housekeeping Expenses	584,210	770,327
Insurance	555,095	597,384
Office Maintenance	2,702,520	1,754,309
Courier and Postage	494,903	624,353
Printing & Stationery	716,070	515,082
Professional Charges	96,338,109	85,004,112
Rates & Taxes	5,564,805	5,304,449
Rent	12,119,671	11,727,223
Scanning charges	13,297,984	2,113,616
Security Services	468,141	517,781
Seminar & Training Charges	803,509	1,383,498
Telephones	8,411,793	9,013,648
Travelling Expenses	54,221,286	67,041,057
Vehicle Insurance	92,919	97,345
	<b>245,725,336</b>	<b>206,342,433</b>
<b>20 Financial Charges</b>		
Bank Charges & Commission	6,858,267	1,416,121
Interest on Vehicle Loan	154,025	236,864
Interest on OD A/c	1,593,839	6,210,765
	<b>8,606,131</b>	<b>7,863,750</b>
<b>21 Misc.Expenses written off</b>		
Pref. Issue Expenses	417,143	417,141
Preliminary Expenses	30,831	30,831
Public Issue Expenses	197,733	197,733
	<b>645,707</b>	<b>645,707</b>

## Intense Technologies Limited

### Notes to the Consolidated Financial Statements for the year ended 31st March 2017.

(Amount in ₹)

	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>22 Earnings per share (Face value ₹ 2/- each)</b>		
A. Numerator for earning per share	48,498,306	(87,055,820)
B. Denominator for basic earning per share	22,124,061	21,696,084
C. Denominator for diluted earning per share	22,375,282	23,311,786
D. Basic earning per share (A/B)	2.49	(4.01)
E. Diluted earning per share (A/C)	2.46	(3.73)

23. The previous years figures have been recast/restated/regrouped, wherever necessary, to conform to the current period's classification.

24. Balances of various parties, debtors and creditors are subject to confirmation.

#### 25. Amounts paid/payable to Auditors:

(Amount in ₹)

	2016-17	2015-16
Statutory Audit Fee	450,000	450,000
Tax Audit Fees	50,000	50,000
Certification	304,500	309,625
Branch Auditors	201,753	125,763
Subsidiary Companies	621,728	474,755

#### 26. Disclosure on Specified Bank Notes

(Amount in ₹)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash as on 08.11.2016	50,000	15,005	65,005
(+) Permitted Receipts (drawings from banks)	-	344,700	344,700
(-) Permitted Payments	-	314,681	314,681
(-) Amount Deposited in Banks	50,000	-	50,000
Closing Cash in Hand as on 30.12.2016	-	45,024	45,024

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## INTENSE TECHNOLOGIES LIMITED

(CIN: L30007TG1990PLC011510)

Regd. Office: A1, Vikrampuri, Secunderabad-500009

Tel: +91- 40 - 44558585; Fax: +91- 40 - 27819040

Website: www.in10stech.com; E-mail: info@in10stech.com

### ATTENDANCE SLIP FOR 27<sup>TH</sup> ANNUAL GENERAL MEETING (to be handed it over at venue of the meeting)

I certify that I am a registered shareholder / proxy / representative for the registered shareholder(s) of Intense Technologies Limited.

DP ID*	
--------	--

Folio No.	
-----------	--

Client ID*	
------------	--

No. of Shares	
---------------	--

\* Applicable for investors holding shares in electronic form

I hereby record my presence at the 27th Annual General Meeting of the Company held on 28th day of September, 2017 at 2:00 P. M at FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004, Telangana.

Name and Address of Member

--

Signature of Shareholder / Proxy / Representative  
(Please Specify)

Note:

1. Shareholders/ Proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the venue, affixing their signature on them.
2. Members are informed that no duplicate attendance slips will be issued at the venue of the meeting.

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## INTENSE TECHNOLOGIES LIMITED

(CIN: L30007TG1990PLC011510)  
Regd. Office: A1, Vikramপুরi, Secunderabad-500009  
Tel: +91- 40 - 44558585; Fax: +91- 40 - 27819040  
Website: www.in10stech.com; E-mail: info@in10stech.com

### Proxy Form (Form No. MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN	L30007TG1990PLC011510
Name of the Company	Intense Technologies Limited
Registered office	A1, Vikramপুরi, Secunderabad-500009
Name of the Member(s)	
Registered Address	
Email Id	
Folio No / Client ID	
DP ID:	

I/ We, being the member(s) of -----shares of the above named company, hereby appoint

1	Name			
	Address			
	E- Mail ID		Signature	
	of failing him			
2	Name			
	Address			
	E- Mail ID		Signature	
	of failing him			
	of failing him			
3	Name			
	Address			
	E- Mail ID		Signature	
	of failing him			
	of failing him			

as my / our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the 27th Annual General Meeting of the Company, to be held on 28th day of September, 2017 at 2:00 P. M at the FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004 and at any adjournment thereof in respect of such resolution as are indicated below:



SI No.	Resolutions	For	Against
<b>Ordinary business</b>			
1	To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2	Re-appointment of Mr. Tikam Sujan who retires by rotation		
3	Ratification of appointment of M/s. M V Narayana Reddy & Co., Chartered Accountants as Statutory Auditors		
<b>Special business</b>			
4	To Amend, Ratify, Approve and Adopt Intense Employees Stock Option Plan 2005		
5	Grant of options to the employees of the Subsidiary Company (ies) of the Company under Intense Employees Stock Option Plan 2005 (Intense ESOP 2005)		
6	To Amend, Ratify, Approve and Adopt Intense Employees Stock Option Plan 2007		
7	Grant of options to the employees of the Subsidiary Company (ies) of the Company under Intense Employees Stock Option Plan A 2007 (Intense ESOP A 2007)		
8	To Amend, Ratify, Approve and Adopt Intense Employees Stock Option Plan - Scheme A 2009		
9	Grant of options to the employees of the Subsidiary Company (ies) of the Company under Intense Employees Stock Option Plan- Scheme A 2009 (Intense ESOP Scheme A 2009)		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Affix Revenue  
Stamp

Signature of Shareholder.....

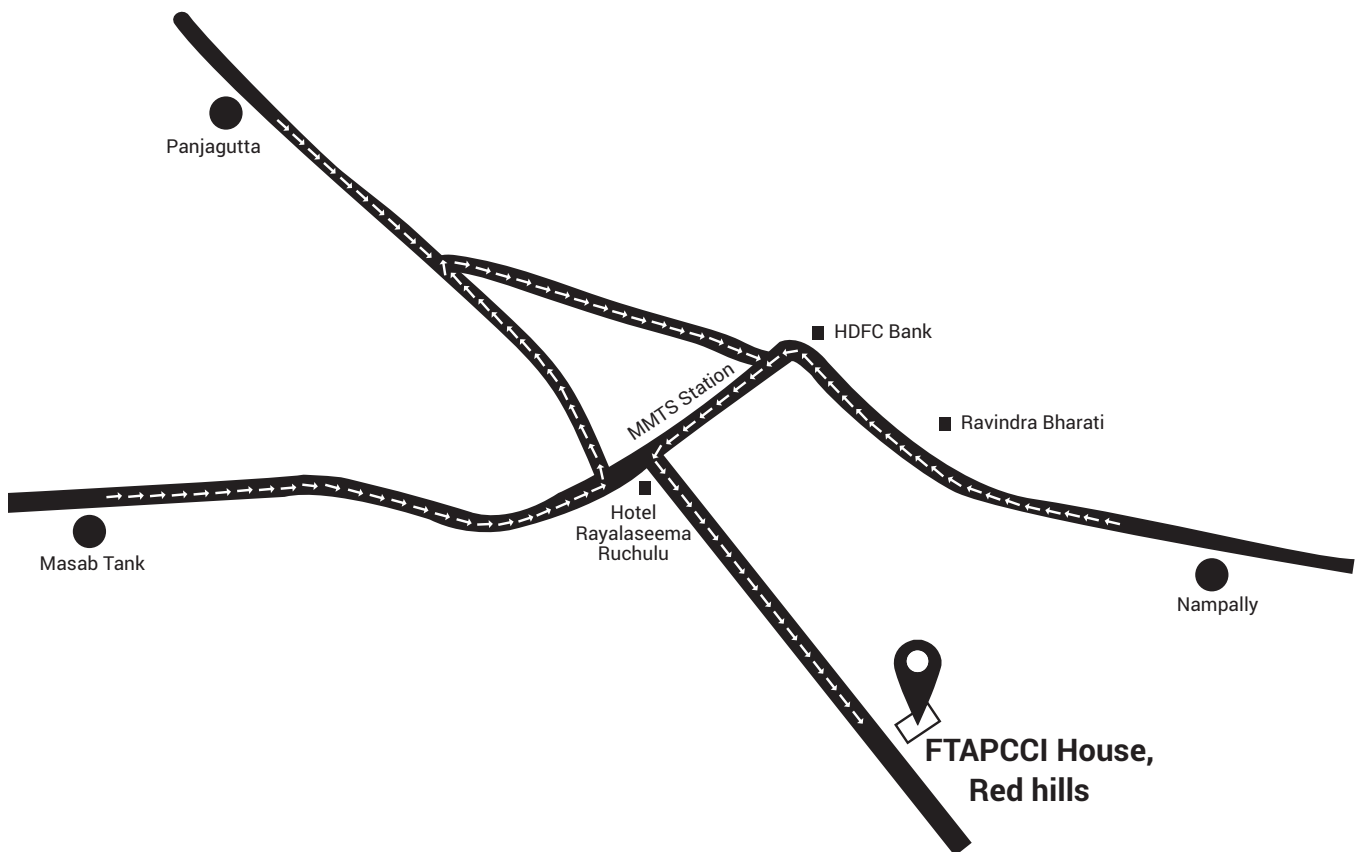
Signature of Proxy holder(s).....

**Note:** This of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

# 27<sup>th</sup> Annual General Meeting of Intense Technologies Limited

AGM Venue:  
FTAPCCI Auditorium, FTAPCCI HOUSE,  
RED HILLS, LAKDI KA PUL, HYDERABAD - 500004.

## Route Map



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