

**Date: October 1, 2018**

Symbol: NSE – INTENTECH; BSE Scrip Code: 532326

To,  
The Manager,  
Listing Department / CRD  
**Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400001.

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

Dear Sir/Madam,

**Sub: Annual Report for the Financial Year 2017-18 – submission as per 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 2017-18, duly approved and adopted by the members as per the provisions of the Companies Act, 2013, at the 28th 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.

Helping you reach your  
customer-centric goals!







**“  
You’ve got to start  
with customer  
experience and work  
backwards to the  
technology”**  
-Steve Jobs

## Customer-centric technology with UniServe™ NXT

Today technology is emerging at a very fast rate and impacting every aspect of humans. We are witnessing new ways of interactions, adapting to new business models and are constantly finding new ways of co-existence with technology. Today technology is helping us to access services at our finger tips, for instance booking a cab, and tomorrow it has the promise of replacing the service itself, for example, driverless cars.

While it is a mandate for every business to embark on digital enablement of their services, our technology initiatives have always aided this digital enablement with the focus on providing an incredible customer experience. That is the cornerstone of the success of our digital transformation projects.

UniServe™ NXT is a rapid enterprise application production platform designed to help enterprises achieve customer centricity. We enable enterprises to put their customers' context (who, when, where, why) and preferences at the center and not let their technology determine their business processes. That is how we bring agility to our customers and that is why we become core to their business agility.



Dear Stakeholder,

The year gone by had been a challenging one. Despite tough times we have come out with profits. Our strategy of farming existing customers and hunting new geographies has yielded good results. This shows that our customers trust us with their mission-critical customer interfacing processes and are happy to do business with us. Our hunting strategy has resulted in getting two new deals in matured markets.



Our UniServe NXT platform, on the other hand, is showing a lot of promise. In the near future where connected things, artificial intelligence and high-speed data are going to be the norm, every enterprise needs a digital technology platform to explore new business models and deliver contextual customer experiences. Our low code rapid application development platform with its niche data management capabilities will make us a niche player in the digital transformation domain.

Following are the major developments of the FY 17-18:

- To optimise our expenses in the backdrop of making huge investments in infrastructure related to managed services contract and also to make-up for the delay in revenue realisation from the account we had to undertake cost-cutting measures. The following are the measures that were taken to optimize costs:
  - ♦ Marketing spend with respect to participation in events, analyst relations, and public relations was reduced
  - ♦ Investments on expanding our presence in matured markets were kept on hold

- ♦ We have optimised our operations costs including manpower

With these timely, stringent measures in place, we were able to ride the tide and record decent revenue.

- However, the good news is that the longstanding delays in implementing managed services contract with a publicly owned telecom company in India are over. The project is back on track and implementation is underway at a rapid rate. With this achieved we are geared for investments in marketing and sales.
- This year also saw us strengthening our foothold in the banking and insurance domains in the domestic region. Leading insurance companies trust us for their multichannel customer engagement.
- Our hunting strategy has resulted in expanding our brand in the matured markets. Though the investments in sales expansion in the matured markets were on hold, we still have two leading telecom operators, one in Europe and the other in Latin America trusting us to enhance their customer experience through digital channels.

While these developments were taking place, our

# Chairman's Message

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

Pursuing Growth  
Nurturing Innovation  
Abounding Opportunities

technological innovation, UniServe™ NXT platform has generated a lot of interest amongst the customers and partner community. The low code platform with its Rapid Enterprise Application Production capabilities gives enterprises the ability to enable their services digitally. Following are the business benefits they reap:

- Enhanced customer experience with personalised customer journeys with the help of DevOps platform
- Implementation of 2-speed IT to reduce software development and delivery timelines by more than 50% and build agile process
- Break data and process silos using data virtualisation capabilities of UniServe™ NXT

With these formidable value propositions that every business is vying for, UniServe™ NXT platform is quintessential for organisations to become truly customer-centric.

This year we have been positioned in the Aspire Leaderboard™ 2018 grids of Business Automation as 'Leader' and as 'Focused' in the Overall Leaders for CCM. We were also featured as one of the 20 most promising BPM solution providers of 2018 in the

global edition of CIO Review magazine. These are additional feathers in our already embellished cap and establish the credibility of our solutions in the global market.

From now on we will be expanding our sales and marketing reach in global markets, rigorously pursuing solutions built on UniServe™ NXT platform, cloud offering of our standalone solutions to penetrate domestic markets, and engage with system integrators and existing customers to build new solutions using our platform.

With these, we are confident of seeing a better future for the company. We thank all the stakeholders – shareholders, customers, partners, employees, financial institutions and banks, for reposing their faith in the company.

A handwritten signature in black ink, appearing to read 'C. K. Shastri'.

C. K. Shastri  
Chairman & Managing Director



# How we helped enterprises with customer centricity - Case Studies

## Case 1

World's second largest telecom service provider having operations in more than 30 countries implements UniServe™ based solution for digital transformation of B2B customer experience

### Solution delivered

- Consolidation of billing information across lines of business
- Financial reconciliation using RPA
- Automation of PO management - BPM
- Real-time dashboard - reports and analytics
- Consistent multi-channel communication
- Comprehensive analytics portal for greater visibility
- Single application for presentment, reporting & analytics bringing in operational efficiency

### Significant achievements

- Reduced CapEx by de-commissioning 8 applications
- OPEX savings for mobility are estimated at 3 million Euros in the 1st year
- ROI of the project is expected in less than 3 months
- Reduced disputes, thus improved DSO
- Lower operations costs due to streamlining of multiple applications
- Faster revenue realization

## Case 2

Large privately held wireless carrier in the USA with nearly 1 million wireless subscribers implements UniServe™ based financial reconciliation solution

### Solution delivered

- Comprehensive metering accuracy of all monetary and non-monetary entities of consumer and enterprise bills
- Automated pre bill auditing to resolve the problem of stringent regulations
- Multiple integrations with Business Support Systems to validate bill data

### Significant achievements

- Increased sampling size from 0.5% to 13%
- Reduced bill audit turnaround time (TAT) by 99%
- Analysis of deviation types directed the business to resolve over two dozen billing issues
- Contact center volumes for issues pertaining to incorrect charges reduced significantly

**How we help enterprises ace their customer-centric goals**





A golfer in a white shirt and light blue trousers is captured in the middle of a golf swing on a lush green course. The golfer is wearing a white cap and white gloves. The background shows a clear blue sky and distant green hills.

**On par  
with the best  
in business!**

## Our efforts have been rewarded

Positioned in the Aspire Leaderboard™ 2018 grids of Business Automation as 'Leader'

Positioned in the Aspire Leaderboard™ 2018 grids as 'Focused' in the Overall Leaders for CCM, Customer Communications and Omni-channel orchestration

Featured as one of the 20 most promising BPM solution providers of 2018 by CIOReview magazine in their global edition

## Steady revenue stream

- Strategic and key accounts farming: Revenue from existing customers through cross-sell and up-sell
- New geographies: Scale sales and related functions to penetrate the global markets
- Digital Services: Leverage relationship with existing service providers to evolve a revenue sharing model for personalized mobile campaigns
- Cloud: Implement SaaS based solution on cloud in India and scale globally
- Alliances & Partners: Leverage the system integrator ecosystem to expand reach into geographies and verticals



“  
**Planning for an  
 upward trajectory  
 of overall performance  
 for the year ahead!**  
 ”

Our people are the building blocks  
 of our agility

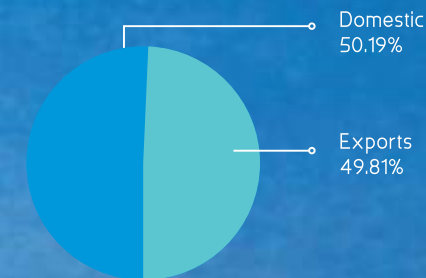
19.30% of people are working here  
 for more than 10 years

17.61% employees are women

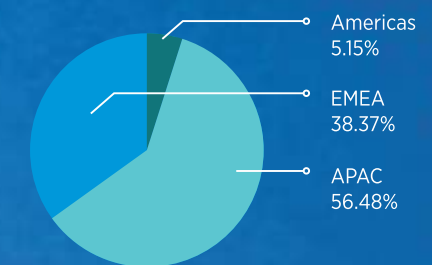
53.12% employees  
 are between age 21-30

## Key Performance Indicators (Standalone)

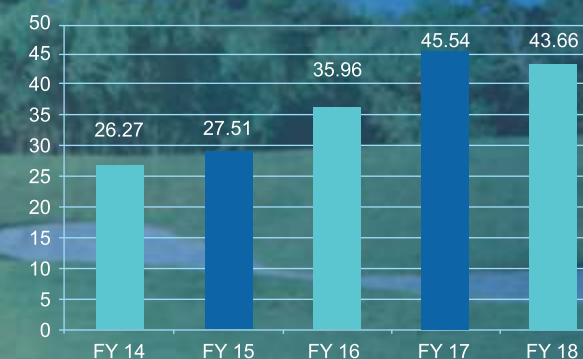
Exports & Domestic revenue



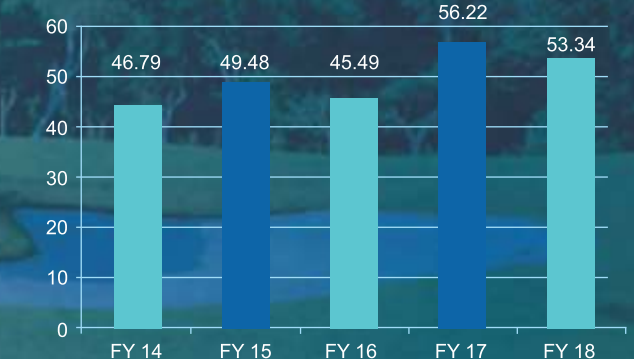
Region wise



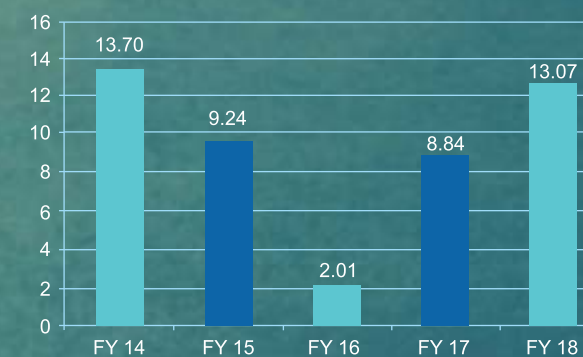
Annuity Revenues (₹ crore)



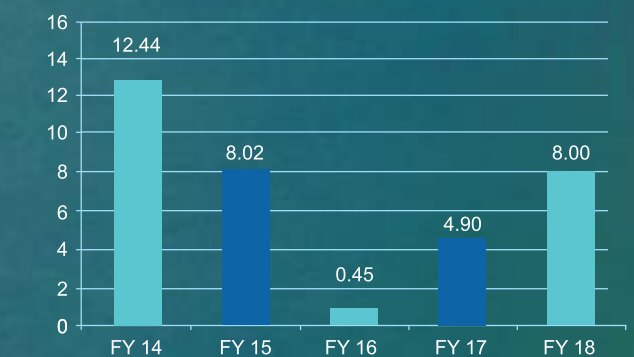
Revenues (₹ crore)



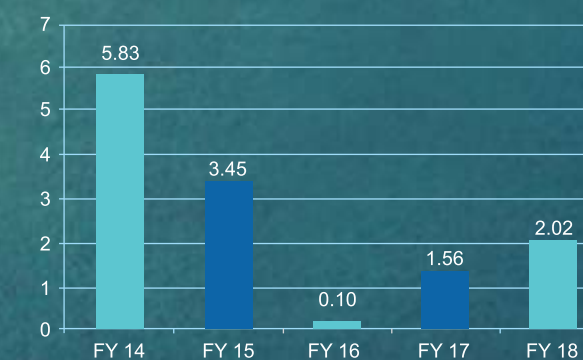
EBITDA (₹ crore)



PBT (₹ crore)

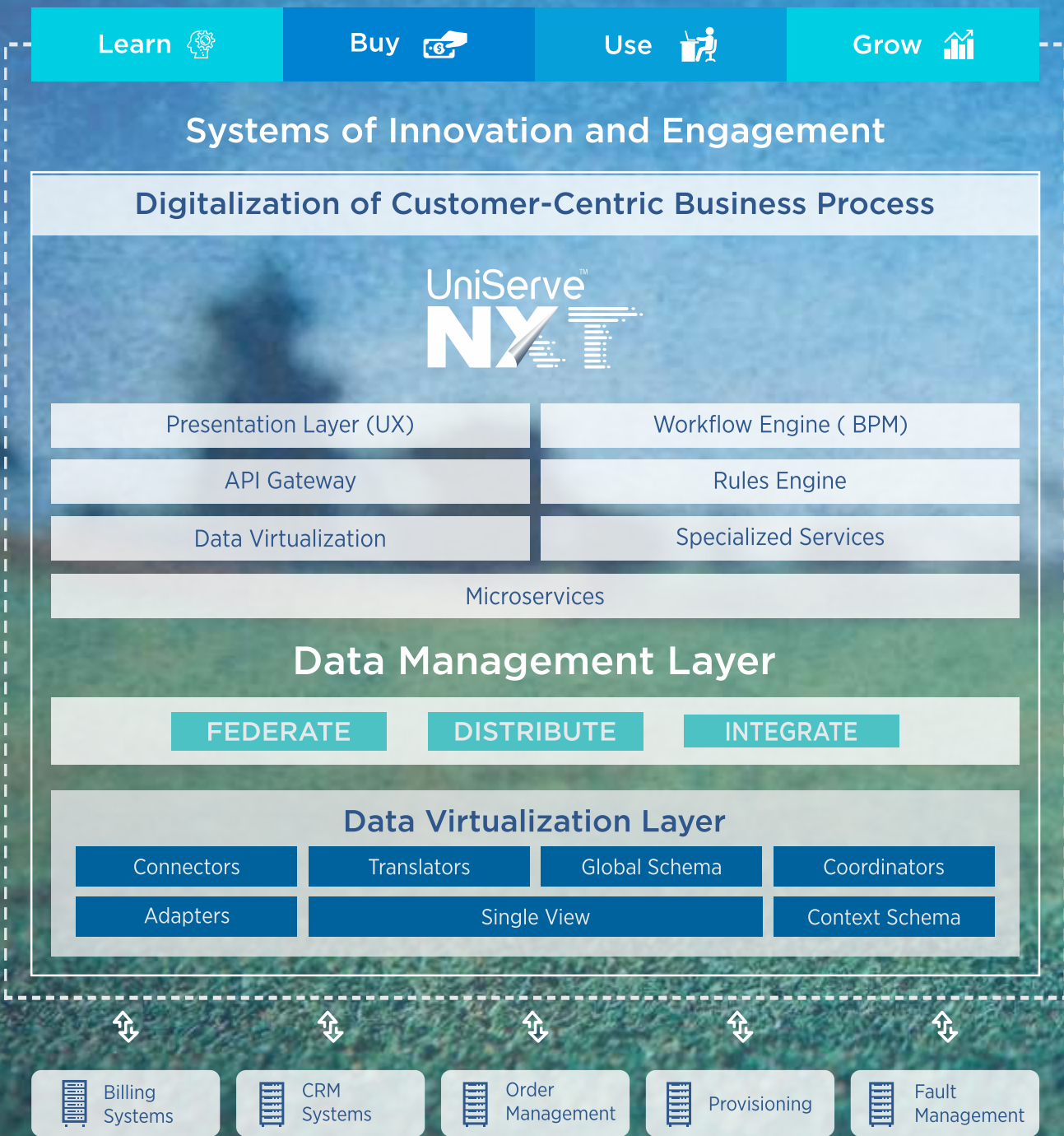


EPS (₹)





# UniServe™ NXT Architecture





# The UniServe™ NXT Approach



**A platform that  
helps you reach  
your customer-  
centric goals**





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

On Thursday, the 27<sup>th</sup> day of September, 2018 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, Vikrampuri, 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 Technologieis 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. M V Narayana Reddy &amp; Co</b> Chartered Accountants Flat No.504, Vijaya Sree Apartments, Behind Chermas, Ameerpet, Hyderabad - 500073, 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	:	Mr. V. S. Mallick
Member	:	Mrs. V. Sarada Devi
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	:	Mr. K. S. Shanker Rao
Member	:	Mrs. V. Sarada Devi
Member	:	Mr. V.S. Mallick

### 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 28<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting (AGM) of the Members of Intense Technologies Limited (CIN: L30007TG1990PLC011510) will be held on Thursday, 27th day of September, 2018 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, 2018 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, 2018 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 appoint M/s. MSPR & Co., Chartered Accountants (Firm Registration No. 010152S), Hyderabad as Statutory Auditors of the Company in place of resigning Auditors, M/s. M.V. Narayana Reddy & Co., Chartered Accountants, (Firm Registration No. 002370S).

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

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and as recommended by the Audit Committee, consent of the Members of the Company be and is hereby accorded to the appointment of M/s. MSPR & Co., Chartered Accountants (Firm Registration No. 010152S) Hyderabad, who have offered their eligibility to be appointed as Auditors, in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31st Annual General Meeting at such remuneration plus applicable taxes, out of pocket, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**"RESOLVED FURTHER THAT** pursuant to provisions of Section 140 and all other applicable provisions, if any, of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the provision of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to relieve M/s. M.V. Narayana Reddy & Co., Chartered Accountants, (Firm Registration No. 002370S) from the office of the Statutory Auditors, who have expressed unwillingness to the ratification of their appointment, with effect from the conclusion of Annual General Meeting."

Special Notice in terms of Section 140(4)(i) and Section 115 of the Companies Act, 2013 read with rule 23 of the Companies (Management and Administration) Rules, 2014.

A special notice in terms of Section 115 read with Section 140(4) (i) of the Companies Act, 2013 from a Member proposing the appointment of M/s. MSPR & Co, Chartered Accountants (Firm Registration No. 010152S), Hyderabad as Statutory Auditors of the Company, in place of M/s. M.V. Narayana Reddy & Co., Chartered Accountants, (Firm Registration No. 002370S) who have expressed their unwillingness to the ratification of appointment as statutory auditors of the Company with effect from the close of this Annual General Meeting on September 27th, 2018 has been received.

### SPECIAL BUSINESS:

4. **Re-appointment of Mr. C.K. Shastri as Managing Director**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as a **Special resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force) subject to the approval of the Central Government and such other consents and permission as may be necessary and subject to such modifications, variations as may be approved and acceptable to the appointee, the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. C. K. Shastri (DIN: 00329398) as Managing Director of the Company for a period of 3 years with effect from 1st October 2018 at the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee in its meeting upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved by the Board of Directors."

**"RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to the provisions of Schedule V to the new Act, the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any committee which the Board may constitute to exercise its powers, including powers conferred by this resolution) be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration, if necessary, in such manner as may be agreed to by and between the Board and Mr. Krishna Shastri Chidella, within such prescribed limit(s) or ceiling and the agreement between the Company and the Managing Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting."

**"RESOLVED FURTHER THAT** Mr. C. K. Shastri, Managing Director or any other Director and the Company Secretary be and are hereby severally authorized to file necessary returns with the Registrar of Companies, Andhra Pradesh and Telangana to give effect to the above resolution."

5. **Re-appointment of Mr. Jayant Dwarkanath as Whole time Director**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as a **Special resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modifications or re-enactment(s) thereof,

for the time being in force) subject to the approval of the Central Government and such other consents and permission as may be necessary and subject to such modifications, variations as may be approved and acceptable to the appointee, the approval of the members of the Company be and is hereby accorded for the appointment of Mr. Jayant Dwarkanath (DIN: 00329597) as Whole Time Director of the Company for a period of 3 years with effect from 1st October 2018 at the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee in its meeting upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved by the Board of Directors.”

**“RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to the provisions of Schedule V to the new Act, the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any committee which the Board may constitute to exercise its powers, including powers conferred by this resolution) be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration, if necessary, in such manner as may be agreed to by and between the Board and Mr. Jayant Dwarkanath, within such prescribed limit(s) or ceiling and the agreement between the Company and the Whole Time Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting.”

**“RESOLVED FURTHER THAT** Mr. Jayant Dwarkanath, Whole Time Director or any other Director and the Company Secretary be and are hereby severally authorized to file necessary returns with the Registrar of Companies, Andhra Pradesh and Telangana to give effect to the above resolution.”

#### 6. Appointment of Ms. Anisha Chidella as Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolutions as a **Ordinary resolution**:

**“RESOLVED THAT** pursuant to provisions of sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Anisha Chidella (DIN: 08154544) who was appointed as an Additional Director with effect from 27th July, 2018 pursuant to provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting(‘AGM’) and in respect of whom the Company has received a notice in writing along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

#### 7. Appointment of Ms. Anisha Chidella as Whole time Director

To consider and if thought fit, to pass with or without modification(s), the following resolutions as a **Special resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force) subject to the approval of the Central Government and such other consents and permission as may be necessary and subject to such modifications, variations as may be approved and acceptable to the appointee, the approval of

the members of the Company be and is hereby accorded for the appointment of Ms. Anisha Chidella (DIN: 08154544) as Whole Time Director of the Company for a period of 5 years with effect from 1st October 2018 at the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee in its meeting upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved by the Board of Directors.”

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to the provisions of Schedule V to the new Act, the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any committee which the Board may constitute to exercise its powers, including powers conferred by this resolution) be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration, if necessary, in such manner as may be agreed to by and between the Board and Ms. Anisha Chidella, within such prescribed limit(s) or ceiling and the agreement between the Company and the Whole Time Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting.

**RESOLVED FURTHER THAT** Ms. Anisha Chidella, Whole Time Director or any other Director and the Company Secretary be and are hereby severally authorized to file necessary returns with the Registrar of Companies, Andhra Pradesh and Telangana to give effect to the above resolutions.”

For and on behalf of the Board

**C. K. Shastri**

Chairman & Managing Director  
DIN: 00329398

Place: Secunderabad  
Date : 14th August, 2018



## 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 20-09-2018 to 27-09-2018 (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 20th September, 2018, 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 / FII's / 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 24th September 2018 to 5.00 p.m. on 26th September 2018 (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 34 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.3**

The Statutory Auditors, M/s. M.V. Narayana Reddy & Co., Chartered Accountants, (Firm Registration No. 002370S) the exiting auditors who were appointed on 27th AGM to hold office for a period of five years till conclusion of 32nd Annual General Meeting have expressed unwillingness to the ratification of their appointment as Statutory Auditors of the Company with effect from the conclusion of the Annual General Meeting. A special notice under the provisions of Section 140(4)(i) read with Section 115 of the Companies Act, 2013 and Rule 23 of the Companies (Management and Administration) Rules, 2014 has been received from a Member proposing the appointment of M/s. MSPR & Co., Chartered Accountants (Firm Registration No. 010152S), Hyderabad as the Statutory Auditors in place of the resigning Auditors, M/s. M.V. Narayana Reddy & Co., Chartered Accountants. A copy of the special notice has been sent to M/s. MSPR & Co., Chartered Accountants

M/s. MSPR & Co., Chartered Accountants have confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013.

The Audit Committee has recommended to the Board of Directors, the appointment of M/s. MSPR & Co., Chartered Accountants as the Statutory Auditors, as their qualifications and experience have been found to be commensurate with the size and requirements of the Company.

The Board of Directors considered the matter and has recommended, to the Members, the appointment of M/s. MSPR & Co., Chartered Accountants as the Statutory Auditors in place of the resigning Auditors, M/s. M.V. Narayana Reddy & Co.

The Directors recommend the Resolution for the approval of the Members.

None of the Directors, of the Company and their relatives, are in any way, whether financially or otherwise, concerned or interested in this Resolution.

**Item No.4, 5 and 7**

The Board of directors as per the recommendation of the Nomination and Remuneration Committee and Audit Committee have re-appointed Mr. C. K. Shastri, Managing Director (DIN: 00329398) of the Company, Mr. Jayant Dwarkanath, Whole-Time Director (DIN: 00329597) of the Company for a term of 3 years from 1st October, 2018 and Ms. Anisha Chidella Whole-Time Director (DIN: 08154544) of the Company for a term of 5 years from 1st October 2018 subject to approval/ ratification by the shareholders at the ensuing Annual General Meeting.

**I. GENERAL INFORMATION:**

1	Nature of Industry	Information Technology / Software Product Development.			
2	Date of commencement of commercial production	Existing company having its software development operations since 1999.			
3	Financial Performance	(₹ in lakhs)			
			2015-16	2016-17	2017-18
	Gross Revenue		4,548.71	5,622.45	5,334.44
	Operating Expenditure		4,425.22	5,044.10	4,444.43
	Operating Profit		123.48	578.34	890.01
4	Export Performance	FOB value of exports	1,938.16	2,215.82	2,596.16

## II. INFORMATION ABOUT THE APPOINTEE:

Name of the Director	Mr. C.K. Shastri	Mr. Jayant Dwarkanath	Ms. Anisha Chidella
Date of Birth	31st December, 1958	6th September, 1964	17th January, 1990
Date of appointment	1st October, 2015	1st October, 2015	27th July, 2018
Experience	37 years of Business Experience including 19 years in I.T. Industry	31 years of Experience in Banking and I.T. Industry	she has been working for Technology Companies in areas of Strategy, Consulting and Product Management
Qualifications	B.Com & P.G. Diploma in Marketing	B.E and M.B.A	B.Tech and MBA
Past Remuneration	₹ 6.00 lakhs per month	₹ 6.00 lakhs per month	₹ 2.00 lakhs per month
Job Profile	He is the main Promoter, Chairman and Managing Director of the Company and has been instrumental in building the Company.	He is the Whole-Time Director of the Company and he looks after the international business operations of the Company and he has been instrumental in marketing tie-ups with global majors.	She has been instrumental in the business operations of the Company.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board:	Nil	Nil	Nil

### Terms and conditions:

Re-appointment: Mr. C.K. Shastri as Managing Director and Mr. Jayant Dwarkanath as Whole time Director.

Period: 3 years from 1st October 2018 to 30th September, 2021

Appointment: Ms. Anisha Chidella as Whole time Director.

Period: 5 years w.e.f. 1st October 2018

The material provisions of the agreement entered into with Mr. C. K. Shastri, Mr. Jayant Dwarkanath and Ms. Anisha Chidella are as under:-

#### A. REMUNERATION

##### (a) Salary

Mr. C.K. Shastri and Mr. Jayant Dwarkanath

Basic Salary of ₹ 4,50,000/- (Rupees Four Lakh and Fifty Thousand only) per month w.e.f 1st October, 2018.

Ms. Anisha Chidella

Basic Salary of ₹ 2,00,000/- (Rupees Two Lakhs only) per month w.e.f 1st October 2018.

##### (b) Incentive / Commission

Commission will be calculated in accordance with the provisions of section 197 read with section 198 of the Companies Act, 2013.

#### B. PERQUISITES:

In addition to salary, perquisites allowed as follows:

Mr. C.K. Shastri and Mr. Jayant Dwarkanath

Perquisites and Allowances: ₹ 1,50,000/- (Rupees One Lakh and Fifty Thousand) per month w.e.f 1st October, 2018.

##### (a) Housing

The Company shall provide rent- free furnished accommodation.

##### (b) Medical reimbursement

Reimbursement of actual expenses incurred for self and family or expenses incurred for medical insurance of self and family at actual basis.

##### (c) Leave Travel Concession

Leave Travel Concession for self and family shall be in accordance with the rules of the Company. "Family" means wife, dependent children and dependent parents of the Director.

##### (d) Personal Accident Insurance

The Insurance premium shall be in accordance with the rules of the Company.

##### (e) Club Fees and others

Actual expenses shall be reimbursed. Also reimbursement of actual expenses incurred towards utilization of gas, electricity, water and repairs subject to the overall limit of the applicable provisions of the Companies Act, 2013.

#### Remuneration in the event of loss or inadequacy of profits

Wherein in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid, subject to the limits prescribed in Schedule V of the Companies Act, 2013.

## III. OTHER INFORMATION:

### 1. Profitability:

The company is a software products company with lengthy product development and sales cycle. In the initial period of a product development and sales cycle, it is necessary to build a reference base with a few select customers to ensure that the products are robust and can be benchmarked against competition through a continuous feature and performance enhancement. This phase is also characterized by long lead times and low realizations. Intense has overcome this phase.



## 2. Steps taken or proposed to be taken for improvement:

The Company is under the process of continuously upgrading of the existing products in line with the market requirements.

The Company has established a strong reference base of customers both in the domestic and international markets for its key products. The products have also been upgraded regularly to benchmark them against the best in the world. The Company has made its foot prints in the global markets and has its subsidiaries in U.S.A, U.K and U.A.E to market its products globally.

## 3. Expected increase in productivity and profits:

With the process of continuous upgrading of the existing products in the market, the productivity, sales revenue and the profitability is expected to go up.

Since these are forward looking statements, investors are advised to refer Risk factors mentioned in the Annual Report.

## IV. DISCLOSURES:

The shareholders of the company shall be informed of the remuneration package to the Managing Personnel in the Annual Report of the Company.

The Board of Directors recommends the above resolutions for approval of the Shareholders as Special Resolution(s). Mr. C.K. Shastri who is the relative of Ms. Anisha Chidella and the Managing Director of the Company and their other relatives, to the extent of their shareholding interest and Directorship in the Company, may be deemed to be concerned or interested in the appointment of Ms. Anisha Chidella as Director.

Other than the above, none of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution(s) except the Directors getting re-appointed.

### Item No. 6

Pursuant to the provisions of Sections 149(1) and 161(1) of the Companies Act, 2013 Ms. Anisha Chidella was appointed as an Additional Director of the Company with effect from 27th July, 2018 by the Board of Directors and in terms of the provisions of Section 161 (1) of the Act, she holds office up to the date of the ensuing Annual General Meeting but is eligible for the appointment as a Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing her candidature for the office of Director.

Ms. Anisha Chidella is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

She holds 625 number of equity shares in the Company.

The Board of Directors recommends the resolution for approval of the members.

Brief Resume of Ms. Anisha Chidella and nature of her expertise in specific functional areas and names of companies in which she holds directorship and memberships/chairmanships of Board Committees, shareholding as stipulated under SEBI (LODR) Regulations, 2015, is forming part of the Annual Report

This Explanatory Statement may also be regarded as a disclosure under Regulation 27 of the SEBI (LODR) Regulations, 2015.

Ms. Anisha Chidella may be deemed to be concerned or interested,

financially or otherwise, to the extent of the aforesaid shareholding in respect of her appointment as Director. Mr. C.K. Shastri who is her relative and the Managing Director of the Company and their other relatives, to the extent of their shareholding interest and Directorship in the Company, may be deemed to be concerned or interested in the appointment of Ms. Anisha Chidella as Director.

Save and except the above, none of other Director/Key Managerial personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item no. 6 of the Notice.

Additional information on Director recommended for appointment/reappointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ms. Anisha Chidella (DIN: 08154544)

Brief Resume:

1	Name of the Director	Anisha Chidella
2	Father Name	Krishna Shastri Chidella
3	Date of Birth	17/01/1990
4	Qualifications	B.Tech; MBA
5	Date of Appointment	27/07/2018
6	Experience	She has been working for Technology Companies in areas of Strategy, Consulting and Product Management

Nature of Expertise in specific functional areas:

Ms. Anisha Shastri Chidella is graduated in B.Tech and holds a Masters degree in Business Administration from globally reputed business school. And in India she has been working for Technology Companies in areas of Strategy, Consulting and Product Management.

Disclosure of inter-se relationships between directors and Key Managerial Personnel:

Anisha Chidella is the daughter of Chidella Krishna Shastri, Chairman and Managing Director of the Company.

Listed entities (other than Intense Technologies Limited) in which Anisha Chidella holds directorship and Committees membership

- Directorship: Nil
- Chairperson/Membership of Board Committees in: Nil
- Chairman of Internal Complaints Committee, and Member of Stakeholders Relationship Committee, Business Risk Evaluation Committee: Nil

Shareholding in the Company: 625 number of Equity Shares

For and on behalf of the Board

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

Place : Secunderabad  
Date : 14th August, 2018

# DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure to present the 28th Annual Report and the Audited Accounts for the financial year ended 31st March, 2018.

## 1. Financial Results

The Company's financial performance, for the year ended 31st March, 2018 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2017-2018	2016-2017	2017-2018	2016-2017
Gross Revenues	5334.44	5,622.45	5,504.97	5,633.13
Total Expenditure	4,534.35	5,132.81	5,197.55	5,969.73
Profit/(Loss) before tax	800.09	489.64	307.42	(336.60)
Tax Expense	354.21	145.22	354.61	145.22
Profit/(Loss) after tax	445.88	344.41	(47.19)	(481.82)
Earnings per share				
Basic EPS (Face Value ₹ 2/- each)	2.02	1.56	(0.21)	(2.18)
Diluted EPS (Face Value ₹ 2/- each)	1.86	1.54	(0.20)	(2.15)

## 2. Year gone by

During the year under review, your company registered a gross revenue of ₹ 5334.44 lakhs (previous ₹ 5,622.45 lakhs) and a profit before tax ₹ 800.09 lakhs (previous year ₹ 489.64 lakhs) on a standalone basis. Our profit for this year stands at ₹ 307.42 lakhs on consolidated basis (previous year loss ₹ 336.60 lakhs).

This year was a challenging one as our investments into a large managed services deal did not yield expected returns in the anticipated timelines. Due to this we had to reduce our operational expenses and slow down investment of our expansion into matured markets. But now the managed services deal is back on track with both phases of our implementation underway including migration. Despite difficult times, our existing customers trusted us and our strategy to proactively engage with them has resulted in increase in our services revenue. Though we had to slow down our investments on expanding our market presence in matured markets, we could win the confidence of two operators operating in Latin America and Europe for digitalization of their customer experience. Domestically we penetrated deeper into the banking and insurance verticals. Our UniServe NXT platform, which is a low-code rapid application development platform is seeing good traction amongst our customers and partner community.

## 3. Future Outlook

After successfully overcoming the delays in the managed services deal, we are expecting steady stream of revenue from this account. We are continuously farming our existing customers to up-sell and cross-sell our solutions. Our UniServe NXT platform has generated great interest among our customers and we are in the process of doing proof of concepts. We have made plans to expand our brand in matured markets like USA with our UniServe NXT platform and our solutions. Niche capabilities of our platform like data management for single view of your customer, pre-built solutions for automating customer experience lifecycle, rapid application development for building new customer journeys and digital support platform for greater customer experience address key issues that large enterprises are facing today. We are working with our partners to deploy our solutions in their labs and use it to build enterprise applications. We have partnered with AWS, Microsoft Azure, Oracle Cloud, IBM Cloud and Alibaba Cloud to launch our solutions on their IaaS platforms. We have a joint GTM strategy with them to penetrate domestic and 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 ₹. 2,754.14 lakhs in the Profit and Loss Account.

## 7. Finance

Cash and cash equivalents as at March 31st 2018 were ₹. 329.64 lakhs. 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 there is no change in the Share capital of the Company. The Company has received an amount of ₹ 4,30,156 towards the share application money.

## 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 Sujun, retires by rotation and being eligible, offers himself for reappointment.

## 10. Meetings

During the year 7 (Seven) 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	2017-18 (₹)	% on Total salaries
(a) Managing Director	Salary and Perquisites	3,870,000	1.41%
(b) Whole Time Director	Salary and Perquisites	3,870,000	1.41%

- 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 in 10, Anson Road # 24-09, International Plaza, Singapore - 079903.

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

The Statutory Auditors, M/s. M.V. Narayana Reddy & Co., Chartered Accountants, (Firm Registration No. 002370S) the exiting auditors who were appointed on 27th AGM to hold office for a period of five years till conclusion of 32nd Annual General Meeting have expressed unwillingness to the ratification of their appointment as Statutory Auditors of the Company with effect from the conclusion of the Annual General Meeting. A special notice under the provisions of Section 140(4)(i) read with Section 115 of the Companies Act, 2013 and Rule 23 of the Companies (Management and Administration) Rules, 2014 has been received from a Member proposing the appointment of M/s. MSPR & Co., Chartered Accountants (Firm Registration No. 010152S), Hyderabad as the Statutory Auditors in place of the resigning Auditors, M/s. M.V. Narayana Reddy & Co., Chartered Accountants.

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

The Board recommends the appointment of M/s. MSPR & Co., Chartered Accountants 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 2017-18.

## 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

The company adopted Indian Accounting Standards ("Ind AS") and accordingly the financial results have been prepared in accordance with the recognition and measurement principles stated there in, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India. The date of transition to Ind AS is April 01, 2016. The impact of transition has been accounted for in opening reserves and the comparative periods have been restated accordingly. Consequently, restatement of prior period income pertaining to financial year 2016-17 has been disclosed in the net profit reconciliation for the year ended March 31, 2017 in notes to financial statements for the year ended 31st March, 2018.

## 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	2,049,884	32,867,725
Intense Technologies U.K. Limited	8,786,013	111,159,901
Intense Technologies INC	2,079,371	94,100,020
<b>Total</b>	<b>12,915,268</b>	<b>238,127,646</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: The aggregate market value of these equity shares as on 31st March, 2018 is ₹ 129,000/-



## (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	15,000,000	Performance Bank Guarantee
4	15-Sep-16	CGM,ITPC BSNL, Pune	15,000,000	Performance Bank Guarantee
		<b>Total</b>	<b>69,000,000</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. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. 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, M/s. Puttaparthi Jagannatham & Co. 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. Padmini Ieeja

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:

- Continuous research to upgrade existing products and to develop new products and services.
- 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:

- Introduction of new and qualitative products.
- 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)

	2017-18	2016-17
<b>1 Foreign Exchange Earnings</b>		
FOB Value of Goods exported	2,596.16	2,215.82
<b>2 Foreign Exchange Outgo</b>		
Travel Expenses	72.79	113.68
Other expenditure incurred	0.77	35.50
Transferred for Singapore Branch Expenses	90.78	176.22
Transferred to Subsidiaries	97.55	766.31
Share based payments	499.85	-

### 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 attraction, retention 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; and
- (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.
- (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 confirms that it has paid Annual Listing Fees due to both the Exchanges for the year 2018-19.

### 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/investots/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

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

Place: Secunderabad  
Date: 14th August, 2018

**Jayant Dwarkanath**  
Director  
DIN : 00329597



## ANNEXURE I - EXTRACT OF ANNUAL RETURN

FORM NO. MGT 9

As on financial year ended on 31.03.2018

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
Name of the Company	Intense Technologies Limited
Category/ Sub-Category of the Company	Company limited by shares / Non-Government Company
Address of the Registered office and contact details	A1, Vikrampur, 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, Nana- kramguda, 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

S.No	Category of Shareholders	No. of Shares held at the beginning of the year (1 April, 2017)				No. of Shares held at the end of the year (31 March, 2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>									
<b>(1)</b>	<b>INDIAN</b>									
(a)	Individual /HUF	4084119	0	4084119	18.46	4084119	0	4084119	18.46	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>0.00</b>
<b>(2)</b>	<b>FOREIGN</b>									
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>4084119</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>0.00</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>(1)</b>	<b>INSTITUTIONS</b>									
(a)	Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	21340	0	21340	0.10	0.10
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	21518	0	21518	0.10	0.10
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>42858</b>	<b>0</b>	<b>42858</b>	<b>0.19</b>	<b>0.19</b>
<b>(2)</b>	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	2392106	3600	2395706	10.83	2994515	3400	2997915	13.55	2.72
(b)	Individuals									



	(i) Individuals holding nominal share capital upto Rs.1 lakh	7700888	573918	8274806	37.40	9291572	164479	9456051	42.74	5.34
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	6116686	0	6116686	27.65	4553630	0	4553630	20.58	-7.06
(c)	Others									
	Clearing Members	89937	0	89937	0.41	187465	0	187465	0.85	0.44
	NBFC	62000	0	62000	0.28	10471	0	10471	0.05	-0.23
	Non Resident Indians	972554	0	972554	4.40	628806	0	628806	2.84	-1.55
	NRI Non-Repatriation	127253	0	127253	0.58	161746	0	161746	0.73	0.16
	Trusts	1000	0	1000	0.00	1000	0	1000	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>17462424</b>	<b>577518</b>	<b>18039942</b>	<b>81.54</b>	<b>17829205</b>	<b>167879</b>	<b>17997084</b>	<b>81.35</b>	<b>-0.19</b>
	<b>Total B=B(1)+B(2) :</b>	<b>17462424</b>	<b>577518</b>	<b>18039942</b>	<b>81.54</b>	<b>17872063</b>	<b>167879</b>	<b>18039942</b>	<b>81.54</b>	<b>0.00</b>
	<b>Total (A+B) :</b>	<b>21546543</b>	<b>577518</b>	<b>22124061</b>	<b>100.00</b>	<b>21956182</b>	<b>167879</b>	<b>22124061</b>	<b>100.00</b>	<b>0.00</b>
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C) :</b>	<b>21546543</b>	<b>577518</b>	<b>22124061</b>	<b>100.00</b>	<b>21956182</b>	<b>167879</b>	<b>22124061</b>	<b>100.00</b>	

## (ii) Shareholding of Promoter

Sl.No	Shareholder's Name	Shareholding at the beginning of the year (1 April, 2017)			Share holding at the end of the year (31 March, 2018)			% 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	7.75	0	1714792	7.75	0	0
2	Chidella Uma Maheswari	93525	0.42	0	93525	0.42	0	0
3	Tikam Sujan	2275802	10.29		2275802	10.29	0	0
	<b>Total</b>	<b>4084119</b>	<b>18.46</b>	<b>0</b>	<b>4084119</b>	<b>18.46</b>	<b>0</b>	<b>0</b>

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

Sl.No		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>C. K. SHASTRI</b>				
	At the beginning of the year	1714792	7.75	1714792	7.75

	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	0.42	93525	0.42
	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	10.29	2275802	10.29
	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	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	UNO Metals Ltd	2000	0.01	600000	2.71
2	Anita Sarin	570944	2.63	287614	1.30
3	Anil Sarin	517075	2.38	517075	2.34
4	National Capital Region Electronic Pvt Ltd	500000	2.30	500000	2.26
5	Prakash Mangilal Jain	448000	2.06	0	0.00
6	Satpal Khattar	392212	1.81	392212	1.77
7	I3 Infosystem Private Limited	323220	1.49	76872	0.35
8	Globe Capital Market Ltd	25975	0.12	241632	1.09
9	Sai Prasanna Manchineni	186676	0.86	240050	1.09
10	Utsav PramodKumar Shrivastav	240000	1.11	259217	1.17

Note: 1). The shares of the Company are traded on a daily basis on the stock exchanges and hence date wise increase/decrease in shareholding is not provided. 2). The details of date wise increase/decrease will be provided at the request of the shareholder.

**(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	7.75	1714792	7.75
	Increase/Decrease during the year	-	-	-	-
	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	5.81	1285635	5.81
	Increase/Decrease during the year	-	-	-	-
	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	10.29	2275802	10.29
	Increase/Decrease during the year	-	-	-	-
	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	0	0	-	-
	Increase/Decrease during the year	0	0	-	-
	At the end of the year	-	-	0	0
<b>5</b>	<b>PAVAN KUMAR PULAVARTY</b>				
	At the beginning of the year	0	0	-	-
	Increase/Decrease during the year	0	0	-	-
	At the end of the year	-	-	0	0
<b>6</b>	<b>SRIVATH SHANKER RAO KANDUKURI</b>				
	At the beginning of the year	0	0	-	-
	Increase/Decrease during the year	0	0	-	-
	At the end of the year	-	-	0	0
<b>7</b>	<b>SIVA RAMA MALLICK VADLAMANI</b>				
	At the beginning of the year	0	0	-	-
	Increase/Decrease during the year	0	0	-	-
	At the end of the year	-	-	0	0
<b>8</b>	<b>H. MADHUKAR NAYAK</b>				
	At the beginning of the year	72250	0.33	72250	0.33
	Increase/Decrease during the year	12350	0.06	-	-
	At the end of the year	59900	0.27	59900	0.27
<b>9</b>	<b>K. TEJASWI</b>				
	At the beginning of the year	1125	0	1125	0
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	1125	0	1125	0



## V. INDEBTEDNESS

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	23,866,977	0	0	23,866,977
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	50,000,000	0	0	50,000,000
* Reduction	23,866,977	0	0	23,866,977
<b>Net Change</b>	50,000,000	0	0	50,000,000
<b>Indebtedness at the end of the financial year</b>	50,000,000	0	0	50,000,000
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>	50,000,000			50,000,000

## 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 (₹)	29,02,500	29,02,500	58,05,000
	(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	9,67,500	9,67,500	19,35,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Options converted into equity shares WTD - 862500	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify			
	<b>Total</b>	<b>38,70,000</b>	<b>38,70,000</b>	<b>77,40,000</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 ₹ 140,000/- during the year 2017-18.

**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			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.85	7.20	25.05
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.44	0.29	5.73
	(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>23.30</b>	<b>7.49</b>	<b>30.78</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: Mr. K. S. Shanker Rao

Member: Mrs. V. Sarada Devi

Member: Mr. V.S. Mallick

3. Average Net profit for the preceding three Financial Years for the purpose of computation of CSR : ₹ 36,086,273.67 Crores.

4. Prescribed CSR expenditure (2% of Average Net Profit) : ₹ 721,725.47

5. Details of CSR spend for the financial year:

- Total amount spent during the financial year 2017-18: Nil
- Amount unspent, if any: ₹ 721,725.47
- 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)
-	-	-	-	-	-	-	-

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: 14th August, 2018

**C. K. Shastri**  
Managing Director

**K. S. Shanker Rao**  
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 31.03.2018 were 318.

#### Remuneration paid to whole time Directors

(₹ In lakhs)

Name of the Director	Title	2018	2017	% of increase	Ratio of remuneration to MRE	Ratio of remuneration to MRE and WTD
Jayant Dwarkanath	Whole time Director	38.70	68.00	-	13.69	13.70

#### Remuneration paid to Independent Directors

(₹ In lakhs)

Name of the Director	2018	2017	% of increase
Nil	Nil	Nil	Nil

#### Remuneration of other Key Managerial Personnel

(₹ In lakhs)

Name of the Director	Title	2018	2017	% of increase	Ratio of remuneration to MRE (excluding WTD)	Ratio of remuneration to MRE and WTD (excluding WTD)
H.M. Nayak	Head - Finance	23.30	26.84	-	6.32	6.32
K. Tejaswi	Company Secretary and Compliance Officer	7.49	7.20	-	2.55	2.55

**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	38,70,000/-	B.Com., PG DBM	37	59	1990	Xerox Modi Corporation Limited, India
ii	Jayant Dwarkanath	Whole Time Director	38,70,000/-	BE, M.B.A	31	53	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: 14th August, 2018

**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	32,770,600	93,997,020	113,758,785
Profit/(Loss) Account	(56,995,744)	(84,456,160)	(117,563,552)
Total Assets	35,081,618	29,532,978	3,946,137
Total Liabilities	35,081,618	29,532,978	3,946,137
Investments	-	-	-
Turnover	38,522,665	32,022,424	-
Profit/(Loss) before Tax	(8,344,574)	(14,280,357)	-
Provision for Tax	-	-	-
Profit/(Loss) After Tax	(8,344,574)	(14,280,357)	-
Proposed Dividend	-	-	-

For and on behalf of the Board

Place: Secunderabad  
Date: 14th August, 2018

**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> 2018**  
**[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, 2018 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, 2018 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 Copy rights 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.**

**Place: Hyderabad**  
**Date: 14th August, 2018**

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

\*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: 14th August, 2018**

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



## ANNEXURE - VI

### Disclosures pursuant 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 2017-18 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 31.03.2018 – 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 31.03.2018: 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 31.03.2018 – 630779

For and on behalf of the Board

Place: Secunderabad  
Date: 14th August, 2018

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

**Jayant Dwarkanath**  
Whole Time Director

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ANNEXURE - VII

# **MANAGEMENT DISCUSSION AND ANALYSIS**

**Growing overseas footprint  
and good traction for  
UniServe™ NXT platform**

## Overview:

Despite executive focus entirely directed toward operationalizing the public sector managed services contract, new cost-optimization initiatives, and a strong annuity and services contribution from ongoing engagements helped the Company in generating profits.

Following are the highlights:

### Growing overseas footprint this year:

- World's leading satellite communications company headquartered in Europe selects us for automating their customer communications management.
- Augmented our build-out in Americas; the largest telecommunications provider in the Caribbean relies on us for digital transformation of their B2B customer experience
- Filipinos will soon be in for an Intense experience! One of the largest public institutions in the Philippines has finalized on UniServe™ NXT platform for their operating applications.

- Deepening engagement with world's second largest telecom service provider by extending our application to other lines of their business and expanding the scope of our existing solutions
- Intense Technologies has been featured on the list of top 20 promising global BPM solution providers published by CIOReview magazine

### Growing domain expertise in insurance, banking and government:

- We have expanded our engagements within the insurance industry in India by working with all leading life and general insurance companies. Our solutions are critical components of their business, help them elevate customer experience, and expedite time to market.
- Drawing from the success of largest private sector bank in India using our solution for customer engagement, another technology focused bank, aiming to be the finest quality private sector bank in India by 2020, has chosen us for transforming their customer experience. The solution will be deployed on the cloud – a first of its kind in India!
- We are working with a large system integrator on the renewal of the contract for income tax engagement for the next five years

### Update on managed services deal:

- A majority of the executive bandwidth this year was focused around resolving and operationalizing the managed services contract with a public sector institution. The latest update is that implementation of both phases is progressing rapidly and all obstacles to invoicing for revenue have been cleared and sorted and we are confident of realizing revenue from this engagement this year.
- Due to unexpected delay in revenue accretion from the managed services deal and huge infrastructure investments that had to be made on this, our operational expenses had to be optimized. Following measures were taken to reduce operational expenses:
  - o Streamlined manpower across departments to reduce salary expenses
  - o Investments in sales and marketing in matured regions kept on hold
  - o Slowed down expenses on sponsoring events, analyst relations, and public relations

Now that we are back on track our investments into sales and marketing will improve during next financial year.



## Industry Developments: -

- Enterprises focused on delivering applications for connected things, artificial intelligence, customer experience, operational efficiency, or legacy migration are recognizing the inherent business value and time-to-market advantages of application development platforms.
- With business demand for custom applications soaring, it's clear that traditional development approaches simply can't keep pace. According to Gartner, through 2021, market demand for app development will grow at least five times faster than IT capacity to deliver it.
- High-productivity or rapid application development and deployment, platform technology in the cloud is growing swiftly as enterprise IT increasingly exploits cloud-based tooling with reduced skill requirements says Gartner.
- Low-code platforms are becoming popular as they offer more intuitive ways to build applications, minimizing the use of coding. The application development platform uses visual models for defining an application's data models, business logic, user interfaces, etc.
- Productivity can be further accelerated with low-code development platforms that promote reusability through an App Store populated with out-of-the-box templates, widgets, plug-ins, business components, and connectors to emerging technologies.
- The fundamental value of a low-code development platform is that it brings IT and the business together, enabling more rapid, iterative, and collaborative development.
- High-productivity platforms like UniServe™ NXT, essentially accelerate the entire software development life cycle, while shifting from a developer-centric approach to a business-centric approach. They enable both quick prototyping as well as delivering complete and innovative enterprise applications.



## How UniServe™ NXT is addressing the emerging need for a digital business platform

- Digital era demands enterprises to collaborate seamlessly amongst the players in the ecosystems and explore new business models and revenue streams.
- Customers are increasingly using digital channels to interact with enterprises and demand personalized and contextual engagements.
- Both these mandates require enterprises to become agile and responsive to the demands of the market. Digital technology platform is quintessential to transform enterprises from monolith, business process oriented structures to agile and customer-centric organizations.
- Adaptive digital technology platforms will help organizations in their digital service enablement initiatives resulting in lower customer support costs, deliver personalized and contextual customer experience, 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 platform that enables different combinations of business models that power digital business ecosystems.



## Our Value Proposition:

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Pre-built solutions available on our low code DevOps platform, UniServe™ NXT, cater to the enterprise business needs of digitalizing the business processes of customer experience lifecycle. We will continue to offer these solutions to enterprises and launch these solutions on cloud to enable greater market penetration.

- 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.
- Our competitive differentiation of offering a modular platform that extends itself to automate most of customer interfacing processes has won us our customers' delight.
- Our customers often say 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.



## Market Potential:

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As published in the MarketsandMarkets global forecast report, the low-code development platform market size is expected to grow from USD 4.32 Billion in 2017 to USD 27.23 Billion by 2022, at a Compound Annual Growth Rate (CAGR) of 44.49%.

MarketsandMarkets predicts that North America is expected to have the largest market size in the low-code development platform market, because of the presence of a large number of vendors.

Asia Pacific region is expected to be the fastest growing region during the forecast period. Also Middle East and Africa (MEA), and Latin America are expected to grow due to the increasing use of web and mobile applications. Keeping these in view, we are making investments and aggressively pursuing opportunities in USA and Asia Pacific region for our low code platform.

Customer Experience Management market is estimated to grow to \$16.91 Billion by 2022. MarketsandMarkets also reports that the customer experience management market in the Asia Pacific is projected to grow at the highest CAGR during the forecast period. The growth of this segment is being attributed to the increasing use of mobile devices in this region. The rise in digitalization and smartphone users is expected to be the main reason that enables industries to deploy customer experience management solutions. We are in good stead to explore these opportunities in all our target market regions because of strong references and partner network.

The market potential and our preparedness to leverage the opportunities will ensure steady growth to reach new heights in the coming years.

## Recognition:

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Intense Technologies has been positioned in the Aspire Leaderboard™ grids of Business Automation as 'Leader', and as 'Focused' in the Overall Leaders for CCM, Customer Communications and Omni-channel orchestration.

Aspire Customer Communications Services is a boutique consulting firm specializing in the Customer Communications Management (CCM) and Digital Customer Experience (DCX) industries.

Intense Technologies has been featured as one of the 20 most promising BPM solution providers of 2018 by CIOReview magazine in their global edition. The list features innovative leading solution providers from across the globe offering technologies and services that aid in Business Process Management.

Intense Technologies has been recognized by Gartner and published as a Niche Player in Gartner Magic Quadrant for Customer Communications Management in 2017. In 2016, Intense Technologies won the iCMG Architecture award of excellence for emerging technologies in technical category under future IT, and in 2015 Forrester prominently published us in their report titled "Hot Emerging Indian Business Technology Vendors to Watch in 2015".

## Business Strategy:

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This year witnessed us strengthening our global footprint, while our domestic customers continue trusting us for digitally enabling their services. Our strategy to farm existing customers has resulted in improving our services revenue.

Our search for new engagements in global markets for greater margins is showing promising results. This year we got two deals in the matured markets, despite limited investments.

We have also executed our strategy of targeting new verticals domestically and have penetrated deeper into the banking and insurance verticals. Most of the private life insurance players in India are using our solutions for customer communications management.

While we continue to pursue our strategy of farming existing customers, hunting global markets, and expanding to newer verticals, we realize that the UniServe™ NXT platform needs a comprehensive go-to-market strategy to exploit the huge market potential of the domain.

Following is our strategy to rapidly grow our market share in the digital technology platform landscape:

### **Collaborate with our existing customers**

- We have observed that most of our customers are embarking on a journey of digital enablement of their services. They need a digital engagement platform that must enable next generation digital services and experiences to be exposed for Marketing, Sales, Commerce and Service areas
- We are collaborating with our existing customers to implement UniServe™ NXT platform for their digital enablement needs and are in the process of preparing proofs of concept (POC)
- We are assisting digital channels to enable at a faster pace, a unified, consistent and rich way of consuming the underlying technology capabilities and services of legacy systems to produce next generation digital customer experiences
- They are able to build new enterprise solutions in swifter timelines, experiment new business process logics, and build new partner eco systems with our platform. Successful POCs will eventually convert to sales. The platform will give us the means to become integral to their core technologies that are critical for their business growth

### **Work with system integrators**

- We are closely working with large system integrators like IBM, Infosys, TCS, Tech Mahindra amongst others to deploy UniServe™ NXT platform in their labs and train them to build enterprise applications.
- This will help us to test our platform for building new use cases and user journeys for various solutions.
- Faster development and delivery of the project will mutually benefit both Intense and system integrators with greater revenue.
- This will also result in more number of pre-built solutions made available on our platform for end-customers to customize according to their business needs.

### **Launching of solutions built on our platform on cloud**

- The solutions – pre-built on our platform and have won the confidence of our customers – will be launched on cloud
- Centralized customer engagement hub, and personalized, interactive customer communications are being 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

## Our Strengths:

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- We are a global enterprise software products company, headquartered in India with a strong and emerging presence in USA, LATAM, EMEA and APAC
  - We serve customers in 45+ countries across 4 continents, have 10+ years of experience in telecom and insurance domains, and an award-winning product portfolio
  - Today, we process 25 billion USD worth of client revenue data, help onboard 2.5 million customers daily, send more than 200 million notifications every day and have a 500 million customer base across our engagements
- 
- Our solutions are cloud-based, and seamlessly integrate into the client's existing systems, without the need to rip and replace existing hardware or software, leading to a rapid return on investment, with technology not being a hurdle
  - We serve customers in telecom, banking, insurance, and government verticals who in turn contribute to a significant annuity and services revenue
  - 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.

## Our Competition:

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- The digital technology platform industry is rapidly growing with many players small and big entering the market and offering unique solutions. Given its flexibility and versatility, the UniServe™ NXT platform allows us to compete on par with major global players.
- The Business Process Automation capability of the UniServe™ NXT platform has emerged as being amongst the best in the world with many other top players in the field.
- The low-code DevOps nature of the UniServe™ NXT platform, customer-centric approach, proven track record with our customers, scalability, and extended scope of our solutions continue to give us the competitive advantage.

## Outlook, Risks and Concerns

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

### **Global economic and regulatory situation**

Spending on technology products and services by our customers and prospective customers depends on many factors, including the economic and regulatory environments they operate in. Economic slowdown in US, UK and MEA regions can have a significant impact on our business.

### **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 the timing of predicted revenues.

### **Dependence on business partners**

Globally, 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.



## **Dependence on skilled manpower**

As an enterprise software products company with solutions addressing niche technologies, there is greater dependency on manpower with specialized domain skills both to work on the roadmap of our platform and to deploy solutions at customer locations. There is always a threat of manpower attrition and the risk of not being able to scale-up skilled expertise on time resulting in delays in achieving our milestones.

## **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.

## **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 copyright and patent for around four of our innovative IPs to avert misappropriation.

## **Material developments in human resources / industrial relations, including the 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 the highest standard and have won the trust of our customers. We continue our endeavour 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 a 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 organisation 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 with an enhanced learning experience. In addition to the classroom 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 productivity.

The main focus of our training programs is to create a 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 Organization. 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 recognizes 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 7 (Seven) 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	7	Yes	2	1	1
2	Mr. Jayant Dwarkanath	Whole time Director	7	Yes	3	1	-
3	Mr. Tikam Sujan	Non-executive and Non-Independent Director	2	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	5	Yes	-	5	1
7	Mr. V.S. Mallick	Non-executive and Independent Director	7	Yes	5	6	2

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

The dates of Board Meetings held during the year are: 30th May, 2017, 16th August, 2017, 11th September, 2017, 16th November, 2017, 12th December, 2017, 18th December, 2017, and 14th February, 2018.

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/polices#pol>)

### 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, 2017, 11th September, 2017, 12th December, 2017 and 14th February, 2018.

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	1
Mr. V.S. Mallick	Member	4	4

The Nomination and Remuneration Committee of Directors met on 30th May, 2017, 8th September, 2017, 12th December, 2017 and 14th February, 2018.

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.

- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing;
- 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

- 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.
- 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.
- 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, 2018:

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. Overview 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 potential impact analysis and mitigation plan.

## (d) Independent Directors Meeting

During the year under review, the Independent Directors met on 14th February, 2018, 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, 2018 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
Mr. V.S Mallick	Chairman	8	8
Mrs. V. Sarada Devi	Member	8	2
Mr. K. S. Shanker Rao	Member	8	8

During the year, two complaints were received and no investor grievances were pending as on March 31, 2018.

#### (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, 2018 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
Mr. K. S. Shanker Rao	Chairman	4	4
Mr. V.S Mallick	Member	4	4
Mrs. V. Sarada Devi	Member	4	1

#### 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 2018.

- 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 adopted 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 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.

- The results or official news were not displayed in any Website except in Company’s Website.
- Company has made presentations to any Institutional investors/ analysts during the year.
- 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
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	FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004	28.09.2016	2.00 P.M.	Yes
27 <sup>th</sup> AGM	FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004	28.09.2017	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	28 <sup>th</sup> AGM
Date	27-09-2018
Time	2:00 P.M.
Venue	FTAPCCI Auditorium, FTAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad -500 004
b) Financial Calendar	2017-18
c) Date of Book Closure	20-09-2018 to 27-09-2018 (both days inclusive)
d) Dividend Payment Date	NA
e) Registered Office	A1, Vikramপুরi, 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

#### Market Price Data

Month	The Bombay Stock Exchange Limited (BSE)			The National Stock Exchange of India Limited (NSE)		
	High Price (₹)	Low Price (₹)	No. of Shares	High Price (₹)	Low Price (₹)	No. of Shares
Apr-17	162.95	128.00	1051731	163.05	128.00	1593611
May-17	145.00	105.40	583440	145.00	105.00	1286419
Jun-17	143.00	96.80	688033	143.75	96.15	1343286
Jul-17	132.90	108.40	614251	133.00	106.80	1485188
Aug-17	113.00	75.15	571353	112.40	74.80	1622443
Sep-17	105.40	79.30	676408	105.50	79.00	2155643
Oct-17	88.00	79.50	426019	87.75	79.00	1094192
Nov-17	93.60	78.75	647796	93.75	78.75	1534011
Dec-17	127.15	78.10	958690	127.00	75.50	3113778
Jan-18	123.90	92.15	406434	123.50	91.90	969312
Feb-18	97.70	75.50	534783	98.80	75.00	452500
Mar-18	83.20	69.00	1278454	82.35	69.50	1176399

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 31.03.2018)	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, Vikramপুরi, 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 31/03/2018 (TOTAL)**

Sl.no	Category (Shares)	No.of Share Holders	% To Share Holders	No.of Shares	% To Equity
1	1 - 5000	10681	95.88	4872192	22.02
2	5001 - 10000	227	2.04	1664207	7.52
3	10001 - 20000	123	1.10	1774447	8.02
4	20001 - 30000	31	0.28	775251	3.50
5	30001 - 40000	19	0.17	652623	2.95
6	40001 - 50000	12	0.11	545689	2.47
7	50001 - 100000	26	0.23	1903768	8.60
8	100001 and above	21	0.19	9935884	44.91
	<b>TOTAL:</b>	<b>11140</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, 2018.

**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: 14th August, 2018

**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, 2018, 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, 2018.

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 Puttaparthi Jagannatham & Co.**

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

Place: Hyderabad  
Date: 30th May, 2018

## 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, 2018 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, 2018.

For Intense Technologies Limited

Place: Secunderabad  
Date: 30th May, 2018

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

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

# INDEPENDENT AUDITOR'S REPORT

To The Members of Intense Technologies Limited

## Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of M/s Intense Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Ind AS 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 the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of 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 standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 31 March 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and loss including of Other comprehensive Income, the Statement of Cash flows and Statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
  - g) With respect to the other matters to be included in the Auditors' 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:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 33 to the standalone Ind AS financial statements;
    - ii. The Company did not have any material foreseeable losses relating to long-term contracts including derivative contracts: and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Company.

For M.V. NARAYANA REDDY & CO.,

Chartered Accountants  
Firm Registration No. 0023705

Place: Hyderabad  
Date: 30th May, 2018

Y Subba Rami Reddy  
Partner  
Membership No: 218248

## ANNEXURE “1” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS

- (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 not granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors or to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. In our opinion and according to the information and explanations given to us, the Company has made investments which is in compliance with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) In our opinion and according to the information and explanations given 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, Service Tax, GST, 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) According to the information and explanations given to us There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than

six months from the date they become payable.

- (c) There are no disputed dues of Income tax, Customs Duty and Cess which have not been deposited as on March 31, 2018 except service tax as mentioned below. Excise Duty is not applicable to the Company.

Statute	Nature of Dues	Amount (in thousand Rs.)	Financial Year	Forum where dispute is pending
Finance Act, 1994	Service tax	20,780	2008-09 to 2011-12	CESTAT

- (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. 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) According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) 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.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, 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.
- (xv) According to 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 as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Registration No. 0023705

Y Subba Rami Reddy  
Partner  
Membership No: 218248

Place: Hyderabad  
Date: 30th May, 2018



## ANNEXURE “2” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS.

### Report on the Internal Financial Controls 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 31 March 2018 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 the 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”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 auditors’ judgement, including the assessment of the risks of material misstatement of the 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 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, 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 31 March 2018, 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 M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Registration No. 002370S

Y Subba Rami Reddy  
Partner  
Membership No: 218248

Place: Hyderabad  
Date: 30th May, 2018

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Standalone Balance Sheet as at 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>A. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	31,553	69,698	19,425
(b) Capital work-In-progress		15,165	-	-
(c) Other Intangible assets	3A	3,211	4,816	6,422
(d) Financial Assets				
(i) Investments	4	2,38,257	7,179	7,179
(ii) Loans	5	4,952	-	-
(iii) Others Financials Assets	6	50,308	99,321	1,24,447
(e) Deferred tax assets (net)	7	11,218	5,514	5,218
(f) Non-Current tax assets (net)	8	59,062	36,947	20,424
(g) Other non-current assets	9	5,429	15,123	35,464
<b>Total Non-Current Assets</b>		<b>4,19,155</b>	<b>2,38,598</b>	<b>2,18,578</b>
<b>(2) Current Assets</b>				
(a) Financial Assets				
(i) Trade Receivable	10	2,77,113	1,88,544	2,70,584
(ii) Cash & Cash equivalents	11	32,964	1,02,764	41,471
(iii) Other Financial Assets	12	16,886	1,90,134	1,14,486
(b) Current tax Assets	13	32,645	38,067	20,196
(c) Other current assets	14	21,427	9,898	7,397
<b>Total Current Assets</b>		<b>3,81,034</b>	<b>5,29,406</b>	<b>4,54,133</b>
<b>Total Assets</b>		<b>8,00,189</b>	<b>7,68,004</b>	<b>6,72,711</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share capital	15	44,248	44,248	43,392
(b) Other Equity	16	5,92,203	5,57,309	5,27,316
<b>Total Equity</b>		<b>6,36,451</b>	<b>6,01,557</b>	<b>5,70,708</b>
<b>(2) Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	17	38,888	-	-
(b) Provisions	18	40,464	23,771	17,449
<b>Total Non-current Liabilities</b>		<b>79,352</b>	<b>23,771</b>	<b>17,449</b>
<b>Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	19	-	23,867	40,513
(ii) Trade Payables	20	12,932	55,867	1,321
(iii) Other current financial liabilities	21	11,702	-	-
(b) Other current liabilities	22	28,586	50,321	40,279
(c) Short-term provisions	23	31,164	12,620	2,440
<b>Total Current Liabilities</b>		<b>84,385</b>	<b>1,42,676</b>	<b>84,553</b>
<b>Total Equity and Liabilities</b>		<b>8,00,189</b>	<b>7,68,004</b>	<b>6,72,711</b>
<b>Summary of significant accounting policies</b>	2			

The accompanying notes are an integral part of the financial statements.  
As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 002370S

Y Subba Rami Reddy  
Partner  
M No: 218248

Date: 30 May, 2018  
Place: Hyderabad

For and on behalf of the Board of Directors of  
**INTENSE TECHNOLOGIES LIMITED**

C.K. Shastri  
Managing Director  
DIN : 00329398

Jayant Dwarkanath  
Director  
DIN : 00329597

K. Tejaswi  
Company Secretary

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Statement of Standalone Profit & Loss for the Year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Note	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>Revenue</b>			
Revenue from Operations	24	5,21,226	5,51,790
Other Income	25	12,218	10,455
<b>Total Income</b>		<b>5,33,444</b>	<b>5,62,245</b>
<b>Expenses</b>			
Operating Expenses	26	15,803	10,004
Employee Benefits Expense	27	2,73,748	3,04,365
Financial Cost	28	8,992	8,871
Depreciation and amortisation Expense	3 & 3A	41,731	30,534
Other Expenses	29	1,13,160	1,59,507
<b>Total Expenses</b>		<b>4,53,435</b>	<b>5,13,281</b>
<b>Profit/(Loss) before Tax</b>		80,009	48,964
<b>Tax Expense</b>	30		
Income Tax		37,212	12,620
Deferred Tax Asset/(Liability)		(1,792)	1,902
<b>Profit/(Loss) for the period</b>		<b>44,588</b>	<b>34,441</b>
<b>Other comprehensive income</b>	31		
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset (net of taxes)		10,151	4,449
Items that will be reclassified subsequently to profit or loss			
Equity instruments through other comprehensive income		(27)	-
<b>Total other comprehensive income, net of tax</b>		<b>10,124</b>	<b>4,449</b>
<b>Total comprehensive income for the period</b>		<b>34,464</b>	<b>29,993</b>
<b>Earnings per equity share (Face Value ₹. 2/- each)</b>	32		
Basic ₹		<b>2.02</b>	<b>1.56</b>
Diluted ₹		<b>1.86</b>	<b>1.54</b>
<b>Weighted average equity shares used in computing earnings per equity share</b>			
Basic		22,124	22,124
Diluted		24,006	22,375
<b>Summary of significant accounting policies</b>	2		

The accompanying notes are an integral part of the financial statements.  
As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 002370S

Y Subba Rami Reddy  
Partner  
M No: 218248

Date: 30 May, 2018  
Place: Hyderabad

For and on behalf of the Board of Directors of  
**INTENSE TECHNOLOGIES LIMITED**

C.K. Shastri  
Managing Director  
DIN : 00329398

Jayant Dwarkanath  
Director  
DIN : 00329597

K. Tejaswi  
Company Secretary

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Standalone Statement of Cash Flow for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>A Cash Flow from operating Activities</b>		
Net Profit/(Loss) before tax	80,009	48,964
<b>Adjustment for:</b>		
Depreciation	41,731	30,534
Equity instruments through other comprehensive income	27	-
Re-measurement gains/(losses) on employee defined benefit plans	(14,064)	(6,646)
Income Tax	(35,361)	(36,834)
Interest Expense	3,104	1,748
Foreign Exchange Fluctuations	(4,579)	-
Other Income	(12,218)	(10,455)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>58,649</b>	<b>27,311</b>
<b>Adjustment for:</b>		
(Increase)/Decrease in Trade Receivables	(83,990)	82,040
(Increase)/Decrease in Other Current Assets	161,719	(78,149)
(Increase)/Decrease in Other Non-Current Assets	9,695	20,341
Increase/(Decrease) in Non-current Liabilities	17,107	6,322
Increase/(Decrease) in Current Liabilities	(64,494)	64,589
<b>Net Cash Flow from Operating Activities</b>	<b>98,687</b>	<b>1,22,453</b>
<b>B Cash Flow from investing Activities</b>		
(Increase)/Decrease in Fixed Assets	(1,980)	(79,202)
(Increase)/Decrease in Capital Work in progress	(15,165)	-
(Increase)/Decrease in Non-current Investments	(1,82,066)	25,126
(Increase)/Decrease in Loans and Advances	(4,952)	-
Other Income Received	12,218	10,455
<b>Net Cash used in investing activities</b>	<b>(1,91,945)</b>	<b>(43,621)</b>
<b>C Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	-	856
Increase/(Decrease) in Share Application Money	430	-
Increase/(Decrease) in Term Loan	50,000	-
Increase/(Decrease) in Bank Overdraft	(23,867)	(16,646)
Interest Paid	(3,104)	(1,748)
<b>Net cash generated from Financing Activities</b>	<b>23,459</b>	<b>(17,538)</b>
Cash & Cash equivalents utilised (A+B+C)	(69,800)	61,293
Cash & Cash equivalents (Opening Balance)	1,02,764	41,471
Cash & Cash equivalents (Closing Balance)	32,964	1,02,764

### Amendment to Ind AS 7

The amendments to Ind AS 7 Cashflow Statements require the entities to provide disclosure that enable the uses of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cashflows and non-cash changes, suggestions inclusion of reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2016 and required disclosure is made below. There is no other impact on financial statements due to this amendment.

Particulars	As at 31.03.2017	Cash Flows	Non Cash changes	As at 31.03.2018
Borrowing Non current	-	38,888	-	38,888
Other financial Liabilities	-	11,112	-	11,112
Borrowings -Current	23,867	(23,867)	-	-
<b>Total</b>	<b>23,867</b>	<b>26,133</b>	<b>-</b>	<b>50,000</b>

As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 0023705

Y Subba Rami Reddy  
Partner  
M No: 218248

Date: 30 May, 2018  
Place: Hyderabad

For and on behalf of the Board of Directors of  
**INTENSE TECHNOLOGIES LIMITED**

C.K. Shastri  
Managing Director  
DIN : 00329398

Jayant Dwarkanath  
Director  
DIN : 00329597

K. Tejaswi  
Company Secretary

## Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

### Statement of changes in equity

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### (a) Equity share capital

Particulars	Amount
Balance as at 1 April 2016	43,392
Changes in equity share capital during the period	856
Balance as at 1 April 2017	44,248
Changes in equity share capital during the period	-
<b>Balance as at the 31st March 2018</b>	<b>44,248</b>

#### b) Other equity

Particulars	Share Application Money pending allotment	Reserves and surplus				Other comprehensive income		Total equity
		Securities premium reserve	Share Warrants	ESOP's	Retained earnings	Remeasurements of the net defined benefit plans	Equity instruments through other comprehensive income	
<b>As at April 01, 2016</b>	-	2,86,503	20,803	9,054	2,09,398	1,559	-	<b>5,27,316</b>
Add: Profit for the year	-	-	-	-	34,441	-	-	34,441
Add: Premium on exercise of employee stock options	-	5,677	-	-	-	-	-	5,677
Other comprehensive income	-	-	-	-	-	(4,449)	-	(4,449)
Less: Exercise of employee stock options	-	-	-	(5,677)	-	-	-	(5,677)
<b>At March 31, 2017</b>	-	<b>2,92,180</b>	<b>20,803</b>	<b>3,377</b>	<b>2,43,839</b>	<b>(2,890)</b>	-	<b>5,57,309</b>
Add: Profit for the year	-	-	-	-	44,588	-	-	44,588
Other comprehensive income	-	-	-	-	-	(10,151)	27	(10,124)
Addition made during the year	430	-	-	-	-	-	-	430
<b>Balance at 31 March 2018</b>	<b>430</b>	<b>2,92,180</b>	<b>20,803</b>	<b>3,377</b>	<b>288,427</b>	<b>(13,041)</b>	<b>27</b>	<b>5,92,203</b>



# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### 1. Corporate Information

Intense Technologies Limited(the Company) is a public limited company domiciled and incorporated in India under The Companies act, 1956.The company is engaged in the business of producing software products that are designed for data analytics. Company platform is cloud-based and designed to seamlessly integrate with varied client's existing systems.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP"). These financial statements for the year ended March 31, 2018 are the first set of financial statements of the Company has been prepared in accordance with Ind AS. Refer to note 45 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR, except functional currency when otherwise indicated.

#### 2.2 Summary of significant accounting policies

##### (a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

##### (b) Foreign currencies

The financial statements are presented in Indian rupees, which is also the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

##### (c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### (d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Sale of Products

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

#### Sale of services

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.

#### Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### Other income

Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

### (e) Taxes on Income

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. 'Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. 'Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### (f) Property, plant and equipment

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When the tax incurred on purchase of assets is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset.

Depreciation on fixed assets is provided on a written down value method based on the useful lives estimated by the management which are in accordance with Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### (g) Intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

During the period of development, the asset is tested for impairment annually.

### (h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

### Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

# Intense Technologies Limited

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

### (i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### (j) Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### (k) Provisions

#### General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### (l) Employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group has the policy of providing/encashing the Earned leaves salary for leave period in excess of 30 days for each of the eligible employees to his/her credit.

### (m) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### (n) Earning per share:

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which include all stock options granted to employees.

### o) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Restructuring

A provision for restructuring is recognised when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided.

# Intense Technologies Limited

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

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### Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

### Reimbursement rights

Expected reimbursements for expenditures required to settle a provision are recognised only when receipt of such reimbursements is virtually certain. Such reimbursements are recognised as a separate asset in the balance sheet, with a corresponding credit to the specific expense for which the provision has been made.

### Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### Contingent assets

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### (p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

##### Equity investments:

In respect of equity investments, when an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries and associates either:

- (a) at cost; or
- (b) in accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (a) cost determined in accordance with Ind AS 27; or
- (b) deemed cost. The deemed cost of such an investment shall be its:
  - (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
  - (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary or associate that it elects to measure using a deemed cost.

Since the company is a first time adopter it has measured its investment in subsidiary and associate at deemed cost in accordance with Ind AS 27 by taking previous GAAP carrying amount.

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:



# Intense Technologies Limited

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and
  - i. the Company has transferred substantially all the risks and rewards of the asset, or
  - ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

### Financial liabilities

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

### (q) Standards issued but not yet effective

**Ind AS 115 Revenue from Contracts with Customers:** Ind AS 115, Revenue from Contracts with Customers was initially notified under the Companies (Indian Accounting Standards) Rules, 2015. The standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions-and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.

The company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

### r) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

### s) Earnings per share:

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

### t) Subsequent Events:

There are no significant events that occurred after the balance sheet date.

## Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 3. Property, plant and equipment

	Freehold buildings	Computers	Office equipment	Furniture and fittings	Vehicles	Total Tangible Assets
<b>Cost</b>						
At April 1, 2016	15,725	1,17,378	15,170	19,155	7,146	1,74,575
Additions	-	79,119	83	-	-	79,202
Disposals/ Adjustments	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-
<b>At March 31, 2017</b>	<b>15,725</b>	<b>1,96,497</b>	<b>15,253</b>	<b>19,155</b>	<b>7,146</b>	<b>2,53,777</b>
Additions	-	859	1,121	-	-	1,980
Disposals/ Adjustments	-	-	-	-	-	-
<b>At March 31, 2018</b>	<b>15,725</b>	<b>1,97,356</b>	<b>16,374</b>	<b>19,155</b>	<b>7,146</b>	<b>2,55,757</b>
<b>Depreciation/amortisation</b>						
At April 1, 2016	8,887	1,09,598	14,632	17,171	4,862	1,55,150
Charge for the year	333	27,081	215	700	599	28,928
Disposals/ Adjustments	-	-	-	-	-	-
<b>At March 31, 2017</b>	<b>9,220</b>	<b>1,36,680</b>	<b>14,847</b>	<b>17,871</b>	<b>5,461</b>	<b>1,84,079</b>
Charge for the year	317	38,447	415	540	406	40,126
Disposals/ Adjustments	-	-	-	-	-	-
<b>At March 31, 2018</b>	<b>9,536</b>	<b>1,75,127</b>	<b>15,262</b>	<b>18,411</b>	<b>5,867</b>	<b>2,24,204</b>
<b>Net Block</b>						
At April 1, 2016	6,839	7,780	538	1,984	2,284	19,425
At March 31, 2017	6,506	59,817	406	1,284	1,685	69,698
<b>At March 31, 2018</b>	<b>6,189</b>	<b>22,230</b>	<b>1,112</b>	<b>744</b>	<b>1,279</b>	<b>31,553</b>

#### 3A. Intangible assets

	Product Development	Total Intangible assets
<b>Cost</b>		
At April 1, 2016	8,027	8,027
Additions	-	-
Disposals/ Adjustments	-	-
<b>At March 31, 2017</b>	<b>8,027</b>	<b>8,027</b>
Additions	-	-
Disposals/ Adjustments	-	-
<b>At March 31, 2018</b>	<b>8,027</b>	<b>8,027</b>
<b>Depreciation/amortisation</b>		
At April 1, 2016	1,605	1,605
Charge for the year	1,605	1,605
Disposals/ Adjustments	-	-
<b>At March 31, 2017</b>	<b>3,211</b>	<b>3,211</b>
Charge for the year	1,605	1,605
Disposals/ Adjustments	-	-
<b>At March 31, 2018</b>	<b>4,816</b>	<b>4,816</b>
<b>Net Block</b>		
At April 1, 2016	6,422	6,422
At March 31, 2017	4,816	4,816
<b>At March 31, 2018</b>	<b>3,211</b>	<b>3,211</b>

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(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>4</b>	<b>Non-current Investments</b>			
	<b>Unquoted, Valued at cost</b>			
	<b>a) Subsidiaries</b>			
	1850 Shares @ Face Value of 1000 AED (2018 March) 25 Shares @ Face Value of 1000 AED (2017 March) 25 Shares @ Face Value of 1000 AED (2016 March) in Intense Technologies FZE	32,868	450	450
	1,246,460 Shares @ Face Value of 1 GBP (2018 March) 100 Shares @ Face Value of 1 GBP (2017 March) 100 Shares @ Face Value of 1 GBP (2016 March) in Intense Technologies U.K. Limited	1,11,160	10	10
	14,43,000 Shares @ Face Value of 1 USD (2018 March) 100,000 Shares @ Face Value of 1 USD (2017 March) 100,000 Shares @ Face Value of 1 USD (2016 March) in Intense Technology INC	94,100	6,617	6,617
	<b>b) Other non Current Investments</b>			
	<b>Quoted &amp; Valued at FVTOCI</b>			
	Investments in equity shares in other listed entities (Invested in Various securities in various dates)	129	102	102
	<b>Total</b>	<b>2,38,257</b>	<b>7,179</b>	<b>7,179</b>
	Aggregate book value of quoted investments	129	102	102
	Aggregate market value of quoted investments	129	102	102
<b>5</b>	<b>Loans - Financial assets - Non current</b>			
	<b>Unsecured and Considered Good</b>			
	a) Loans	4,952	-	-
	<b>Total</b>	<b>4,952</b>	<b>-</b>	<b>-</b>
<b>6</b>	<b>Other financial assets -Non current</b>			
	<b>Bank deposits with more than 12 months</b>			
	i) In deposit Accounts	4,472	24,421	109,447
	ii) Deposits held as margin money against bank guarantee	45,836	74,900	15,000
	<b>Total</b>	<b>50,308</b>	<b>99,321</b>	<b>1,24,447</b>
<b>7</b>	<b>Deferred tax assets (net)</b>			
	<b>Deferred tax assets</b>			
	Accrued employee benefits	11,244	9,186	5,350
	Other timing differences	46	-	-
	<b>A</b>	<b>11,289</b>	<b>9,186</b>	<b>5,350</b>
	<b>Deferred tax liability</b>			
	Unabsorbed depreciation	71	3,672	132
	<b>B</b>	<b>71</b>	<b>3,672</b>	<b>132</b>
	<b>Total (A-B)</b>	<b>11,218</b>	<b>5,514</b>	<b>5,218</b>
<b>8</b>	<b>Non-Current tax assets (net)</b>			
	<b>a) TDS Receivable</b>	59,062	36,947	20,424
	<b>Total</b>	<b>59,062</b>	<b>36,947</b>	<b>20,424</b>

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>9 Other Non-Current Assets</b>			
a) Deferred Employee Compensation Expense	-	1,495	3,758
b) Loans & Advances to Related Party			
- Unsecured considered good	-	6,777	10,860
c) Security & Other Deposits	4,116	5,315	4,708
d) EMDs	813	1,036	15,639
e) Capital Advances	500	500	500
<b>Total</b>	<b>5,429</b>	<b>15,123</b>	<b>35,464</b>
<b>10 Trade Receivables - Unsecured considered good</b>			
- Unsecured, considered good	2,77,113	1,88,544	2,70,584
<b>Total</b>	<b>2,77,113</b>	<b>1,88,544</b>	<b>2,70,584</b>
Expected credit loss (ECL) assessment for corporate customers as at 1 April 2016, 31 March 2017 and 31 March 2018: The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to external ratings, management accounts and cash flow projections and available information about customers) and applying experienced credit judgement. The Company uses an allowance matrix to measure the expected credit loss of trade receivables and loans from individual customers, who are from diversified industrial background. Moreover, the Company's activity is to develop customized applications to suit the requirements of the specific customer. Different terms and conditions are followed for each assignment. Hence, it is also not practicable to define a specific pattern of realization. Therefore, the Company considers its historical expertise and the customer background and provides for the allowance appropriately.			
<b>11 Cash and Cash equivalents</b>			
a) Cash on hand	84	79	114
b) Balance with Banks			
i) In Current Accounts	32,880	1,02,685	41,357
<b>Total</b>	<b>32,964</b>	<b>1,02,764</b>	<b>41,471</b>
<b>12 Other financial assets- Current</b>			
Interest accrued but not due	2,993	3,721	2,187
Other loans and advances:			
a) Loans & Advances to Subsidiaries	12,915	1,85,039	1,09,633
b) Advance for Purchases	300	300	1,064
c) Staff Advances	678	1,074	1,602
<b>Total</b>	<b>16,886</b>	<b>1,90,134</b>	<b>1,14,486</b>
<b>13 Current tax Assets</b>			
TDS receivable	32,645	38,067	20,196
<b>Total</b>	<b>32,645</b>	<b>38,067</b>	<b>20,196</b>
<b>14 Other Current Assets</b>			
a) Other Advances			
- Balances with statutory/ Government authorities	11,849	5,224	769
- Prepaid expenses	7,037	4,675	4,062
- Other advances	2,541	-	2,566
<b>Total</b>	<b>21,427</b>	<b>9,898</b>	<b>7,397</b>

# Intense Technologies Limited

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars		31-Mar-18		31-Mar-17		31-Mar-16	
		No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
15	Share Capital						
a)	Authorised Share Capital 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	250,000,000	500,000,000	250,000,000	500,000,000
b)	Issued, subscribed and fully paid up share capital Equity Shares of ₹ 2/- each	22,124,061	44,248,122	22,124,061	44,248,122	21,696,084	43,392,168
		22,124,061	44,248,122	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		31-Mar-18		31-Mar-17		31-Mar-16	
		No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
<b>Equity Shares</b>							
At the beginning of the year		22,124,061	44,248,122	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	22,124,061	44,248,122	21,696,084	43,392,168
		22,124,061	44,248,122	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		31-Mar-18		31-Mar-17		31-Mar-16	
		No.of Shares held	% total holding	No.of Shares held	% total holding	No.of Shares held	% total holding
1	C.K.Shastri	1,714,792	7.75	1,714,792	7.75	1,714,792	7.90
2	Tikam Sujan	2,275,802	10.29	2,275,802	10.29	2,275,802	10.49
3	Jayant Dwarkanath	1,285,635	5.81	1,285,635	5.81	1,285,635	5.93



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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>16</b>	<b>Other Equity</b>			
	Share Premium	2,92,180	2,92,180	2,86,503
	Warrants Forfeiture	20,803	20,803	20,803
	Employee Stock Options Outstanding	3,377	3,377	9,054
	Balance in Profit & Loss Account	2,75,414	2,40,950	2,10,957
	Share application money	430	-	-
	<b>Total</b>	<b>5,92,203</b>	<b>5,57,309</b>	<b>5,27,316</b>
<b>17</b>	<b>Borrowings - Financial Liabilities</b>			
	<b>Non current</b>			
	Secured			
	(a) From banks			
	- Term loans	38,888	-	-
	<b>Total</b>	<b>38,888</b>	<b>-</b>	<b>-</b>
<p>1. Term loan of ₹ 5 crores from Axis Bank with repayment tenor of the loan 60 months including moratorium of 6 months with Principal of ₹ 9,25,975/- along with interest which was secured by creating charge on entire existing unencumbered Movable fixed assets and assests proposed to be purchased from the term loan proceedings</p> <p>2. Rate of Interest : 9.75% per annum</p> <p>3. Installments relating to the next financial year (12 Installments) has been reclassified as current maturities of long term debt which was grouped under other current financial liabilities</p>				
<b>18</b>	<b>Non-current Provisions</b>			
	Provision for employee benefits:			
	- Gratuity	37,867	22,685	15,496
	- Compensated absences	2,549	-	-
	- Other Provisions	49	1,086	1,953
	<b>Total</b>	<b>40,464</b>	<b>23,771</b>	<b>17,449</b>
<b>19</b>	<b>Borrowings</b>			
	Axis Bank, Secunderabad Branch (against Accounts Receivables & Hypothecation of Fixed Deposits)	-	23,867	-
	State Bank of Hyderabad, Commercial Branch, Secunderabad (against Hypothecation of Fixed Deposits)	-	-	40,513
	<b>Total</b>	<b>-</b>	<b>23,867</b>	<b>40,513</b>
<b>20</b>	<b>Trade Payables</b>	12,932	55,867	1,321
	<b>Total</b>	<b>12,932</b>	<b>55,867</b>	<b>1,321</b>
<b>21</b>	<b>Other current financial liabilities</b>			
	Current Maturities of Long term Debt			
	- Term loans	11,112	-	-
	- Equipment and vehicle loans	176	-	-
	Interest accrued but not due	414	-	-
	<b>Total</b>	<b>11,702</b>	<b>-</b>	<b>-</b>
<b>22</b>	<b>Other Current Liabilities</b>			
	Advance from Customers	258	992	-
	Provision for Expenses	22,181	34,775	32,942
	Statutory Dues Payable	6,147	14,554	7,337
	<b>Total</b>	<b>28,586</b>	<b>50,321</b>	<b>40,279</b>
<b>23</b>	<b>Provisions</b>			
	Income Tax	31,164	12,620	2,440
	<b>Total</b>	<b>31,164</b>	<b>12,620</b>	<b>2,440</b>

# Intense Technologies Limited

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>24 Revenue from operations (Net)</b>		
From Sale of Products	84,675	96,357
From Services	4,36,551	4,55,433
<b>Total</b>	<b>5,21,226</b>	<b>5,51,790</b>
<b>25 Other Income</b>		
Dividend Received	2	2
Interest	5,576	6,373
Foreign Exchange Fluctuations	6,302	3,627
Expected Return on Plan Assets	305	454
Miscellaneous Income	33	-
<b>Total</b>	<b>12,218</b>	<b>10,455</b>
<b>26 Operating Expenses</b>		
AMC Charges	7,854	2,373
Consumables	655	999
Electricity Charges	5,866	5,580
Repairs & Maintenance	1,427	1,053
<b>Total</b>	<b>15,803</b>	<b>10,004</b>
<b>27 Employee Benefits Expense</b>		
Salaries	2,48,908	2,77,598
Employee Compensation Expense	1,495	2,264
Gratuity	4,148	3,524
Group Medical Insurance to Staff	3,444	4,697
Contribution to Provident and other Funds	9,195	9,176
Leave Encashment Expense	2,549	-
Staff Welfare	4,010	7,107
<b>Total</b>	<b>2,73,748</b>	<b>3,04,365</b>
<b>28 Finance Costs</b>		
Interest		
- On Term Loan	1,539	-
- On Vehicle Loan	45	154
- On OD A/c	1,520	1,594
- On Others	3,678	264
Bank Charges & Commission	2,211	6,858
<b>Total</b>	<b>8,992</b>	<b>8,871</b>

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>29</b>	<b>Other Expenses</b>		
	Advertisement	140	113
	AGM Expenses	45	94
	Statutory Audit Fees	450	450
	Bad Debts Written off	20,640	16,171
	Books,Periodicals& News Papers	31	51
	Business Promotion	843	1,504
	Commission & Brokerage	86	380
	Directors Remuneration	7,722	13,600
	Housekeeping Expenses	539	584
	Insurance	684	518
	Office Maintenance	1,311	2,071
	Courier and Postage	297	490
	Printing & Stationery	591	694
	Professional Charges	16,875	36,099
	Rates & Taxes	4,288	4,795
	Rent	9,605	14,905
	Scanning charges	17,804	13,298
	Security Services	473	468
	Communication Expenses	3,866	7,743
	Travelling Expenses	26,774	45,384
	Vehicle Insurance	97	93
	<b>Total</b>	<b>1,13,160</b>	<b>1,59,507</b>
<b>30</b>	<b>Taxes</b>		
	<b>(a) Current tax</b>	37	13
	Deferred tax charge/ (credit)	(2)	2
	<b>Total income tax expense recognised in statement of Profit &amp; Loss</b>	<b>35</b>	<b>15</b>
	<b>(b) Reconciliation of effective tax rate:</b>		
	Profit Before Tax (A)	61,797	38,794
	Enacted tax rate in India (B) %	28	33
	Expected tax expenses (C = A*B)	17,027	12,826
	Additional deduction under Income Tax Act, 1961	(8,509)	(13,681)
	Expenses disallowed under Income Tax Act, 1961	22,646	13,475
	Income tax relating to previous years	6,048	-
	<b>Income tax expenses</b>	<b>37,212</b>	<b>12,620</b>
	(c) The details of component of deferred tax assets are given under note 7.		
<b>31</b>	<b>Components of Other Comprehensive Income (OCI)</b>		
	Re-measurement gains/(losses) on employee defined benefit plans	14,064	6,646
	Deferred tax effect on remeasurement costs	(3,913)	(2,197)
	- Equity instruments through other comprehensive income(net of taxes)	(27)	(0)
	<b>Total</b>	<b>10,124</b>	<b>4,448</b>

## Intense Technologies Limited

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### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 32. Earning per equity share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2018	March 31, 2017
Profit for the year	44,588	34,441
Weighted average number of equity shares considered for calculation of basic earnings per share	22,124	22,124
Add: Effect of dilution		
Effect of dilution on account of Employee Stock Options granted	1,881	251
Weighted average number of equity Shares considered for calculation of diluted earnings per share	24,006	22,375
Earnings per share		
- Basic	2.02	1.56
- Diluted	1.86	1.54

#### 33. Commitments and Contingencies

##### Contingent liabilities

Particulars	March 31, 2018	March 31, 2017
Counter Guarantees given to Banks towards issue of B.G.s	189,000	189,000
Outstanding Bank Guarantees	189,000	189,000
Dues relating to Service tax*	20,780	20,780

\* The company has preferred an appeal before Service tax appellate tribunal over a demand raised for the financial years 2008-09 to 2011-12 in respect of service tax demand for 20,780 thousand rupees. Based on the consultant's opinion, the company is confident of favourable result.

#### 34. Employee benefits

##### a) Defined contribution plan

Particulars	March 31, 2018	March 31, 2017
Contribution to provident and other funds recognised as expense in the Statement of P & L	9,195	9,176

##### b) Disclosures related to defined benefit plan

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the fund status and balance sheet position:

##### A) Net employee benefit expense (included under employee benefit expenses)

Particulars	March 31, 2018	March 31, 2017
Current service cost	1,813	1,733
Interest cost on benefit obligation	2,336	1,791
Expected return on plan assets	478	454
<b>Net employee benefit expenses</b>	<b>4,626</b>	<b>3,978</b>

##### B) Amount recognised in the Balance Sheet

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	40,644	29,195
Fair value of plan assets	2,777	6,510
<b>Net Plan Liability</b>	<b>37,867</b>	<b>22,685</b>

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### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### C) Changes in the present value of the defined benefit obligation for Gratuity are as follows

Particulars	March 31, 2018	March 31, 2017
Opening defined benefit obligation	29,195	22,382
Current service cost	1,813	1,733
Interest cost	2,336	1,791
Benefits paid	(6,763)	(3,357)
Net Actuarial (gains)/losses on obligation for the year recognised under OCI	14,064	6,646
<b>Closing defined benefit obligation</b>	<b>40,644</b>	<b>29,195</b>

#### D) Changes in fair value of plan assets

Particulars	March 31, 2018	March 31, 2017
Fair Value of Assets at the beginning of the year	6,541	6,200
Expected return on plan assets	478	454
Contributions	2,522	3,214
Benefits paid	(6,763)	(3,357)
<b>Closing fair value of plan assets</b>	<b>2,777</b>	<b>6,510</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2018	March 31, 2017
Investments with Life Insurance Corporation	100%	100%

#### E) Amount recognised in statement of other comprehensive income (OCI):(gross)

Particulars	March 31, 2018	March 31, 2017
Remeasurement for the year - Obligation gain	14,064	6,646
<b>Closing amount recognised in OCI</b>	<b>14,064</b>	<b>6,646</b>

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

Particulars	March 31, 2018	March 31, 2017
Discount rate	8%	8%
Expected rate of return on assets	6%	6%
Salary rise	6%	6%

1.The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

2.The expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

#### 35. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Group companies doesn't have any dues to micro and small enterprises as defined under the MSMED Act,2016 for the year ended 31st March 2018 and 31st March 2017

#### 36.Remuneration to Statutory auditors

Particulars	March 31, 2018	March 31, 2017
As Auditor		
Statutory audit & Limited review	450	450
<b>Total</b>	<b>450</b>	<b>450</b>



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### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 37. Related party disclosures

##### Names of related parties and description of relationship

Name of the related party	Relationship
1 C.K.Shastri	Chairman and Managing Director
2 Jayant Dwarkanath	Wholetime Director
3 Intense Technology FZE	Wholly Owned Subsidiary
4 Intense Technology U.K	Wholly Owned Subsidiary
5 Intense Technology INC	Wholly Owned Subsidiary

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Management Personnel.

List of Key Management Personnel of the Company is as below:

1 C.K.Shastri	Chairman and Managing Director
2 Jayant Dwarkanath	Wholetime Director
3 Tejaswi K	Company Secretary & Compliance Officer
4 H.Madhukar Nayak	Head-Finance
5 Sarada Devi Vemuri	Director
6 Pavan Kumar Pulavarty	Director
7 Srivat Shanker Rao Kandukuri	Director
8 Vadlamani Shyamsunder Mallick	Director
9 Tikam Sujan	Director

##### Relatives to key managerial personnel

1 Anisha Chidhella	Daughter of Chairman and Managing Director
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## Intense Technologies Limited

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### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 38. Transactions during the year

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
<b>a) Subsidiary companies</b>			
Intense Technologies FZE			
Advances paid	2,050	12,142	-
Sales	27,992	36,804	10,300
Payments received from	30,517	17,353	14,588
Investments during the year	32,417	-	-
Intense Technologies U.K Ltd			
Advances paid	8,786	39,110	38,070
Investments During the Year	1,11,150	-	-
Intense Technologies INC			
Advances paid	2,079	26,808	26,969
Sales	26,847	19,013	-
Payments received from	10,135	21,437	-
Investments During the Year	87,483	-	-
<b>b) With key managerial personnel or their relatives</b>			
a) C.K.Shastri			
Managerial Remuneration	3,861	6,800	5,800
b) Jayant Dwarkanath			
Managerial Remuneration	3,861	6,800	5,800

#### 39. Outstanding Balances

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
<b>a) Subsidiary companies</b>			
Intense Technologies FZE			
Investments	32,868	450	450
Advances	2,050	27,108	16,042
Trade receivables	53,591	56,117	35,590
Intense Technologies U.K Ltd			
Investments	1,11,160	10	10
Advances	8,786	90,484	51,374
Intense Technologies INC			
Investments	94,100	6,617	6,617
Advances	2,079	67,446	42,216
Advances from customer	-	846	-
Trade receivables	16,712	-	-

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## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### 40. Significant accounting judgements, estimates and assumption

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### (A) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

#### (i) Lease commitments - the Company as lessee

The Company has entered into leases for office premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the land and office premises and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and the office premises and accounts for the contracts as operating leases.

#### (B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### (i) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 34

### 41. Fair Values

The management assessed that loans, cash and cash equivalents, trade receivables, borrowings, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### 42. Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, bank deposits and other financial assets.

None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

#### Exposure to credit risk:

The carrying amount of Trade receivables represents the maximum credit exposure.

The maximum exposure to credit risk was ₹ 2,77,112 ₹ 1,88,543 and ₹ 2,70,583 as of March 31, 2018, March 31, 2017 and April 1, 2016 respectively, being the total of the carrying amount of balances with trade receivables.

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes around 30% of outstanding trade receivable as of March 31, 2018, March 31, 2017 and April 01, 2016, however there was no default on account of those customer in the past.

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits of customer. Limits and scoring attributed to customers are reviewed at periodic intervals. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

### Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

As at 31 March 2018, the Company had working capital (current assets less current liabilities) of 2,96,649 including cash and cash equivalents of 32,964, investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months) of 50,308. As at 31 March 2017, the Company had working capital of 3,99,338, including cash and cash equivalents of 1,02,764, investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months) of 99,320.

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. As the Company's debt obligation with Fixed interest rates are in Rupees which is subject to insignificant change, exposure to the risk of changes in market interest rates are substantially independent of changes in market interest rates.

As the company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

### Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euros, AED and GBP against the functional currencies of the Company.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-USD			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Trade receivables	1,117	1,590	1,984	72,763	1,02,960	1,24,353
Loans and advances	-	-	638	-	-	-
Investments	-	100	100	-	-	-

## Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-AED			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Loans and advances	120	1,531	-	2,133	27,032	-
Investments	1,850	25	25	32,812	441	441

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-EURO			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Trade receivables	-	297	419	-	20,618	31,034

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-GBP			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Trade receivables	-	3	2	-	26	196
Loans and advances	60	963	540	5,473	78,312	51,374
Investments	1,246	0	0	1,13,758	8	8

#### 43. Segment reporting

The Company is engaged in software development, which in the context of Ind AS 108 is considered only business segment.

Particulars	March 31, 2018			March 31, 2017		
	Outside India	Within India	Total	Outside India	Within India	Total
Revenue	2,40,962	2,80,264	5,21,226	2,21,582	3,30,207	5,51,790

#### 44. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by Equity plus net debt. Net debt consists of borrowings including interest accrued on borrowings, trade and other payables, less cash and short-term deposits.

Particulars	March 31, 2018	March 31, 2017
Borrowings including interest accrued on borrowings	50,591	23,867
Trade and other payables	12,932	55,867
Other liabilities	28,586	50,321
Less: Cash and short-term deposits	32,964	1,02,764
<b>Net debt</b>	<b>1,25,074</b>	<b>2,32,820</b>
Equity	44,248	44,248
Other Equity	5,92,203	5,57,309
<b>Total Equity</b>	<b>6,36,451</b>	<b>6,01,557</b>
<b>Equity and net debt</b>	<b>7,61,525</b>	<b>8,34,377</b>
Gearing ratio	0.16	0.28



# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018.

### 45. First time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first set of financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP").

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

### Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 1, 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS. The Company recognises all assets acquired and liabilities assumed in a past business combination. Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS balance sheet. The Company did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

(b) The Company has elected to regard carrying values for all of property, plant and equipment as deemed cost at the date of the transition.

(c) The Company applied Ind AS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Company has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants. Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

(d) The Company has elected to avail Ind AS 101 exemption with regard to Long Term Foreign Currency Monetary Items and may continue to adopt for accounting for exchange differences arising from translation of long-term foreign currency monetary items to be recognised in financial statements.

(e) Under Ind AS 109, at initial recognition of a financial asset, an entity may take irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial asset as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

(f) In the preparation of separate financial statements, Ind AS 27 Separate Financial Statements requires an entity to account for its investments in subsidiaries, jointly controlled entities and associates either:

i) At cost, or

ii) In accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost, it can measure that investment at one of the following amounts in its separate opening Ind AS balance sheet:

- Cost determined in accordance with Ind AS 27
- Deemed cost, defined as
  - Fair value determined in accordance with Ind AS 113 at the date of transition to Ind AS, or
  - Previous GAAP carrying amount at the transition date.

A first-time adopter may choose to use either of these bases to measure investment in each subsidiary, joint venture or associate where it elects to use a deemed cost.

Accordingly, the Company has opted to carry the investment in subsidiaries and associate at the Previous GAAP carrying amount at the transition date.

## Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

### Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### Estimates

The estimates as at April 01, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2016 (transition date), March 31, 2017 and March 31, 2018.

The reconciliation of Equity as previously reported (referred to as 'Indian GAAP') and as per Ind AS is as per the table below:

Particulars	31.03.2017	01.04.2016
<b>Equity under previous GAAP attributable to the shareholders of the Company</b>	6,76,072	5,51,759
Restatement of Prior Period Income pertaining to FY 2016-17	(1,50,000)	-
Amortisation of Preliminary Expenses	-	65
Current tax Adjustments	47,930	-
Deferred tax adjustments	(17,271)	(19,286)
Fair valuation of investments	579	(646)
Prior period items Adjusted to Opening reserves	-	(4,576)
<b>Equity under Ind AS attributable to the shareholders of the Company</b>	<b>5,57,309</b>	<b>5,27,316</b>

The Company has also prepared a reconciliation of the net profit for the corresponding period / year under the previously applicable Generally Accepted Accounting Principles ('Previous GAAP') with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliation for the quarter and year ended March 31, 2017 are presented below:

Nature of Adjustments	Rupees in Thousands
	Year ended Mar 31, 2017
Profit as per erstwhile Indian GAAP	1,31,122
Restatement of Prior Period Income pertaining to FY 2016-17	(1,50,000)
Re-measurement gains/(losses) on employee defined benefit plans	6,646
Unamortised expense adjusted against opening retained earnings	646
Current tax Adjustments	47,930
Deferred tax adjustments	(1,902)
Net Profit Under Ind AS	34,441
Other Comprehensive income, net of tax	(4,448)
Total Comprehensive Income	29,993

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Standalone Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Notes to reconciliation of equity as at April 01, 2016 and March 31, 2017 and profit or loss for the year ended March 31, 2017

### i. Investments

Investments in equity instruments are carried at fair value through OCI as per IND-AS 109 as compared to being carried at cost under Previous GAAP.

### ii. Deferred Tax Liabilities

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires accounting for deferred taxes using the Balance sheet approach, which focuses on temporary difference between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP. In addition, the various transitional adjustments lead to temporary differences and the Company has accounted for such differences. Deferred tax adjustment are recognised in correlation to the underlying transaction in other equity.

### iii. Remeasure of actuarial gains/ (losses):

Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is increased by ₹ 6645 thousands and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI.

### iv. Other comprehensive income

As per Ind AS, the company translated Previous GAAP profit or loss to total comprehensive income .

### v. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

### vi. Adjustments to Opening reserves

Preliminary expenses which has been classified in BS as Other Assets have been adjusted to Opening reserves

### vii. Prior period adjustments

Prior period adjustments in Profit and loss account have been adjusted to opening reserves

As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 0023705

Y Subba Rami Reddy  
Partner  
M No: 218248

Date: 30 May, 2018  
Place: Hyderabad

For and on behalf of the Board of Directors of  
**INTENSE TECHNOLOGIES LIMITED**

C.K. Shastri  
Managing Director  
DIN : 00329398

Jayant Dwarkanath  
Director  
DIN : 00329597

K. Tejaswi  
Company Secretary

# INDEPENDENT AUDITOR'S REPORT

To The Members of Intense Technologies Limited

## Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS 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") comprising of the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

## Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of 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 to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS 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 state of affairs of the Group as at 31 March 2018, their consolidated Loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

## Other Matter

We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose Ind AS financial statements include total assets of ₹ 68,561 thousand and net assets of ₹ 18,489 thousand as at 31 March 2018, and total revenues of ₹ 71,746 thousand for the year ended on that date. The above financial information are before giving effect to any consolidation adjustments. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditors' reports have been furnished to us. Our opinion on the consolidated Ind AS 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-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS 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 and the financial statements and other financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph 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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of holding company is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act; Further none of the subsidiaries of Holding company are incorporated in India.
- f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, refer to our separate report in "Annexure 1" to this report; Further none of the subsidiaries of Holding company are incorporated in India
- g) With respect to the other matters to be included in the Auditors' 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 :
  - i. As per the information and explanations provided to us by the Holding Company there are no pending litigations in respect of Holding company.
  - ii. The Holding Company did not have any material foreseeable losses relating to long-term contracts including derivative contracts: and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Holding Company.

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Registration No. 002370S

Y Subba Rami Reddy  
Partner  
Membership No: 218248

Place: 30th May, 2018  
Date: Hyderabad



## Annexure 1 To the Independent Auditors' Report of Even date on the Consolidated Financial Statements of Intense Technologies Limited.

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

In conjunction with our audit of the consolidated financial statements of Intense Technologies Limited as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Intense Technologies Limited (hereinafter referred to as the "Holding Company"). Further none of the subsidiaries of Holding company are incorporated in India.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective 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 Act.

### Auditors' 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 auditors' 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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, the Holding Company have, maintained 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 31 March 2018, based on the internal control over financial reporting criteria established by the Holding 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.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting on the Consolidated Ind AS financial statements relates to holding company. Further none of the subsidiaries of Holding company are incorporated in India.

For M.V. NARAYANA REDDY & CO.,

Chartered Accountants  
Firm Registration No. 0023705

Y Subba Rami Reddy

Partner  
Membership No: 218248

Place: 30th May, 2018

Date: Hyderabad

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Consolidated Balance Sheet as at 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b>A. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	31,615	69,746	19,512
(b) Capital work-In-progress		15,165	9,009	-
(c) Other Intangible assets	3A	3,211	4,816	6,422
(d) Financial Assets				
(i) Investments	4	129	102	102
(ii) Loans	5	4,952	-	-
(iii) Others Financials Assets	6	50,308	99,321	1,24,447
(e) Deferred tax assets (net)	7	11,218	5,514	5,218
(f) Non-Current tax assets (net)	8	59,062	36,947	15,847
(g) Other non-current assets	9	6,125	16,377	35,464
<b>Total Non-Current Assets</b>		<b>1,81,785</b>	<b>2,41,831</b>	<b>2,07,012</b>
<b>(2) Current Assets</b>				
(a) Inventories	10	373	-	-
(b) Financial Assets				
(i) Trade Receivable	11	2,55,086	1,59,329	2,65,952
(ii) Cash & Cash equivalents	12	51,957	1,09,883	47,407
(iii) Other Financial Assets	13	3,971	5,095	4,853
(c) Current tax Assets	14	32,645	38,067	20,196
(d) Other current assets	15	21,586	10,227	7,709
<b>Total Current Assets</b>		<b>3,65,618</b>	<b>3,22,601</b>	<b>3,46,117</b>
<b>Total Assets</b>		<b>5,47,403</b>	<b>5,64,432</b>	<b>5,53,129</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share capital	16	44,248	44,248	43,392
(b) Other Equity	17	3,34,657	3,46,914	4,03,197
<b>Total Equity</b>		<b>3,78,905</b>	<b>3,91,162</b>	<b>4,46,589</b>
<b>(2) Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	38,888	-	-
(b) Provisions	19	40,465	23,771	17,449
<b>Total Non-current Liabilities</b>		<b>79,353</b>	<b>23,771</b>	<b>17,449</b>
<b>Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	20	-	23,867	40,513
(ii) Trade Payables	21	15,295	58,309	5,858
(iii) Other current financial liabilities	22	11,702	-	-
(b) Other current liabilities	23	30,976	54,703	40,279
(c) Short-term provisions	24	31,172	12,620	2,440
<b>Total Current Liabilities</b>		<b>89,146</b>	<b>1,49,499</b>	<b>89,090</b>
<b>Total Equity and Liabilities</b>		<b>5,47,403</b>	<b>5,64,432</b>	<b>5,53,129</b>
<b>Summary of significant accounting policies</b>	2			

The accompanying notes are an integral part of the financial statements.  
As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 0023705

Y Subba Rami Reddy  
Partner  
M No: 218248

For and on behalf of the Board of Directors of  
**INTENSE TECHNOLOGIES LIMITED**

C.K. Shastri  
Managing Director  
DIN : 00329398

Jayant Dwarkanath  
Director  
DIN : 00329597

K. Tejaswi  
Company Secretary

Date: 30 May, 2018  
Place: Hyderabad

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Statement of Consolidated Profit & Loss for the Year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Note	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>Revenue</b>			
Revenue from Operations	25	5,36,932	5,52,840
Other Income	26	13,565	10,473
<b>Total Income</b>		<b>5,50,497</b>	<b>5,63,313</b>
<b>Expenses</b>			
Operating Expenses	27	28,222	7,716
Employee Benefits Expense	28	3,08,111	3,55,422
Financial Cost	29	9,283	9,078
Depreciation and amortisation Expense	3 & 3A	41,762	30,560
Other Expenses	30	1,32,377	1,94,197
<b>Total Expenses</b>		<b>5,19,755</b>	<b>5,96,973</b>
<b>Profit/(Loss) before Tax</b>		30,742	(33,660)
<b>Tax Expense</b>	38		
Income Tax		37,220	12,620
Deferred Tax Asset/(Liability)		(1,759)	1,902
<b>Profit/(Loss) for the period</b>		<b>(4,719)</b>	<b>(48,182)</b>
<b>Other comprehensive income</b>	31		
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability / asset		(10,152)	(4,449)
Items that will be reclassified subsequently to profit or loss			
Equity instruments through other comprehensive income		454	-
<b>Total other comprehensive income, net of tax</b>		<b>(9,698)</b>	<b>(4,449)</b>
<b>Total comprehensive income for the period</b>		<b>(14,418)</b>	<b>(52,631)</b>
Earnings per equity share (Face Value ₹. 2/- each)	32		
Basic ₹		(0.21)	(2.18)
Diluted ₹		(0.20)	(2.15)
<b>Summary of significant accounting policies</b>	2		

The accompanying notes are an integral part of the financial statements.  
As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 0023705

Y Subba Rami Reddy  
Partner  
M No: 218248

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Company Secretary

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Consolidated Statement of Cash Flow for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>A Cash Flow from operating Activities</b>		
Net Profit/(Loss) before tax	30,742	(33,660)
<b>Adjustment for:</b>		
Depreciation	41,762	30,560
Equity instruments through other comprehensive income	454	-
Re-measurement gains/(losses) on employee defined benefit plans	(14,064)	(6,646)
Foreign Exchange Fluctuations	(6,448)	(3,627)
Income Tax	(35,361)	(41,410)
Other Income	(7,116)	(10,473)
<b>Operating Profit/(Loss) before working capital changes</b>	<b>9,968</b>	<b>(65,255)</b>
<b>Adjustment for:</b>		
(Increase)/Decrease in Inventory	(373)	-
(Increase)/Decrease in Trade Receivables	(87,606)	1,10,250
(Increase)/Decrease in Other Current Assets	(10,235)	(2,760)
(Increase)/Decrease in Other Non-Current Assets	10,252	19,088
Increase/(Decrease) in Non-current Liabilities	16,694	(6,322)
Increase/(Decrease) in Current Liabilities	(66,174)	66,870
<b>Net Cash Flow from Operating Activities</b>	<b>(1,27,475)</b>	<b>1,21,870</b>
<b>B Cash Flow from investing Activities</b>		
(Increase)/Decrease in Fixed Assets	(2,034)	(79,202)
(Increase)/Decrease in Capital Work in progress	(6,156)	-
(Increase)/Decrease in Non-current Investments	49,012	25,126
(Increase)/Decrease in Loans and Advances	(4,953)	-
Other Income Received	7,116	10,473
<b>Net Cash used in investing activities</b>	<b>42,985</b>	<b>(43,603)</b>
<b>C Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	-	856
Increase/(Decrease) in Share Application Money	430	-
Increase/(Decrease) in Term Loan	50,000	-
Increase/(Decrease) in Bank Overdraft	(23,867)	(16,646)
<b>Net cash generated from Financing Activities</b>	<b>26,563</b>	<b>(15,790)</b>
Cash & Cash equivalents utilised (A+B+C)	(57,927)	62,477
Cash & Cash equivalents (Opening Balance)	1,09,883	47,407
Cash & Cash equivalents (Closing Balance)	51,957	1,09,884

### Amendment to Ind AS 7

The amendments to Ind AS 7 Cashflow Statements require the entities to provide disclosure that enable the uses of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cashflows and non-cash changes, suggestions inclusion of reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2016 and required disclosure is made below. There is no other impact on financial statements due to this amendment.

Particulars	As at 31.03.2017	Cash Flows	Non Cash changes	As at 31.03.2018
Borrowing Non current	-	38,888	-	38,888
Other financial Liabilities	-	11,112	-	11,112
Borrowings -Current	23,867	(23,867)	-	-
<b>Total</b>	<b>23,867</b>	<b>26,133</b>	<b>-</b>	<b>50,000</b>

As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 0023705

Y Subba Rami Reddy  
Partner  
M No: 218248

For and on behalf of the Board of Directors of  
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C.K. Shastri  
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Jayant Dwarkanath  
Director  
DIN : 00329597

Date: 30 May, 2018  
Place: Hyderabad

K. Tejaswi  
Company Secretary

## Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

### Consolidated Statement of changes in equity

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### (a) Equity share capital

Particulars	Amount
Balance as at 1 April 2016	43,392
Changes in equity share capital during the period	856
Balance as at 1 April 2017	44,248
Changes in equity share capital during the period	-
<b>Balance as at the 31st March 2018</b>	<b>44,248</b>

#### b) Other equity

Particulars	Share Application Money pending allotment	Reserves and surplus				Other comprehensive income			Total equity
		Securities premium reserve	Share Warrants	ESOP's	Retained earnings	Foreign Currency Translation reserve	Remeasurements of the net defined benefit plans	Equity instruments through other comprehensive income	
<b>As at April 01, 2016</b>	-	2,86,503	20,803	9,054	85,278	-	1,559	-	<b>4,03,197</b>
Add: Profit for the year	-	-	-	-	(48,182)	-	-	-	(48,182)
Add: Premium on exercise of employee stock options	-	5,677	-	-	-	-	-	-	5,677
Other comprehensive income	-	-	-	-	-	(3,652)	(4,448)	-	(8,100)
Less: Exercise of employee stock options	-	-	-	(5,677)	-	-	-	-	(5,677)
<b>At March 31, 2017</b>	-	<b>2,92,180</b>	<b>20,803</b>	<b>3,377</b>	<b>37,096</b>	<b>(3,652)</b>	<b>(2,889)</b>	-	<b>3,46,914</b>
Add: Profit for the year	-	-	-	-	(4,719)	-	-	-	(4,719)
Other comprehensive income	-	-	-	-	-	2,150	(10,151)	27	(7,974)
Addition made during the year	430	-	-	-	-	-	-	-	430
<b>Balance at 31 March 2018</b>	<b>430</b>	<b>2,92,180</b>	<b>20,803</b>	<b>3,377</b>	<b>32,376</b>	<b>(1,496)</b>	<b>(13,041)</b>	<b>27</b>	<b>3,34,657</b>



# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### 1. Corporate Information

Intense Technologies produces software products that are designed for data analytics. Company platform is cloud-based and designed to seamlessly integrate with varied client's existing systems.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended March 31, 2017, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP"). These financial statements for the year ended March 31, 2018 are the first set of financial statements of the Group has been prepared in accordance with Ind AS. Refer to note 46 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in INR and all values are rounded to the nearest thousands, except where otherwise indicated.

#### 2.2 Basis of consolidation

Intense Technologies Limited consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiary companies as disclosed in Note 43. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Holding company, are to be excluded.

#### 2.3 Summary of significant accounting policies

##### (a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

##### (b) Foreign currencies

The Group's consolidated financial statements are presented in Indian rupees, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., April 1, 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### (c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### (d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is exclusive of Service tax/GST

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### Sale of Products

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

### Sale of services

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.

### Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### Dividend income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Other income

Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

### (e) Taxes on Income

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### (f) Property, plant and equipment

Under the previous GAAP (Indian GAAP), Freehold land and buildings (property) were carried in the balance sheet at cost of acquisition. The Group has elected to regard those values of property as deemed cost at the date of the acquisition since they were broadly comparable to fair value.

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When the tax incurred on purchase of assets is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset.

# Intense Technologies Limited

(CIN:L30007TG1990PLC011510)

## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Depreciation on fixed assets is provided by Group on a Written down value method based on the useful lives estimated by the management which are in accordance with Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### (g) Intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

During the period of development, the asset is tested for impairment annually.

### (h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

### Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

### (i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### (j) Inventories

Work-in-progress comprises of Employee cost (Direct) and other overheads attributable to the Project/Work concerned.

### (k) Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### (l) Provisions

#### General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

# Intense Technologies Limited

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### (m) Employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group has the policy of providing/encashing the Earned leaves salary for leave period in excess of 30 days for each of the eligible employees to his/her credit.

### (n) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### (o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

##### Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Group has transferred its rights to receive cash flows from the asset, and
  - i. the Group has transferred substantially all the risks and rewards of the asset, or
  - ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

##### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

#### Financial liabilities

##### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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### Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

### (p) Standards issued but not yet effective

Ind AS 115 Revenue from Contracts with Customers: Ind AS 115, Revenue from Contracts with Customers was initially notified under the Companies (Indian Accounting Standards) Rules, 2015. The standard applies to contracts with customers. The core principle of the new standard is that an entity should recognize revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, timing and uncertainty of revenues and cash flows arising from the entity's contracts with customers. The new standard offers a range of transition options. An entity can choose to apply the new standard to its historical transactions and retrospectively adjust each comparative period. Alternatively, an entity can recognize the cumulative effect of applying the new standard at the date of initial application and make no adjustments to its comparative information. The chosen transition option can have a significant effect on revenue trends in the financial statements. A change in the timing of revenue recognition may require a corresponding change in the timing of recognition of related costs.

The company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

### q) Provisions, contingent liabilities and contingent assets

#### Restructuring

A provision for restructuring is recognised when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided.

#### Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

#### Reimbursement rights

Expected reimbursements for expenditures required to settle a provision are recognised only when receipt of such reimbursements is virtually certain. Such reimbursements are recognised as a separate asset in the balance sheet, with a corresponding credit to the specific expense for which the provision has been made.

#### Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### Contingent assets

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.



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#### **r) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

#### **s) Earnings per share:**

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

#### **t) Subsequent Events:**

There are no significant events that occurred after the balance sheet date

#### **u) Trade receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

#### **v) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 3. Property, plant and equipment

	Freehold buildings	Computers	Office equipment	Furniture and fittings	Vehicles	Total Tangible Assets
<b>Cost</b>						
At April 1, 2016	15,725	1,17,465	15,170	19,155	7,146	1,74,662
Additions	-	79,119	83	-	-	79,202
Disposals/ Adjustments	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-
<b>At March 31, 2017</b>	<b>15,725</b>	<b>1,96,584</b>	<b>15,253</b>	<b>19,155</b>	<b>7,146</b>	<b>2,53,864</b>
Additions	-	913	1,121	-	-	2,034
Disposals/ Adjustments	-	-	-	-	-	-
<b>At March 31, 2018</b>	<b>15,725</b>	<b>1,97,498</b>	<b>16,374</b>	<b>19,155</b>	<b>7,146</b>	<b>2,55,899</b>
<b>Depreciation/amortisation</b>						
At April 1, 2016	8,887	1,09,598	14,632	17,171	4,862	1,55,150
Charge for the year	333	27,108	215	700	599	28,955
Disposals/ Adjustments	-	-	-	-	-	-
<b>At March 31, 2017</b>	<b>9,220</b>	<b>1,36,719</b>	<b>14,847</b>	<b>17,871</b>	<b>5,461</b>	<b>1,84,118</b>
Charge for the year	317	38,478	415	540	406	40,157
Disposals/ Adjustments	-	-	-	-	-	-
<b>At March 31, 2018</b>	<b>9,536</b>	<b>1,75,206</b>	<b>15,262</b>	<b>18,411</b>	<b>5,867</b>	<b>2,24,283</b>
<b>Net Block</b>						
At April 1, 2016	6,839	7,867	538	1,984	2,284	19,512
At March 31, 2017	6,506	59,866	406	1,284	1,685	69,746
<b>At March 31, 2018</b>	<b>6,189</b>	<b>22,292</b>	<b>1,112</b>	<b>744</b>	<b>1,279</b>	<b>31,615</b>

#### 3A. Intangible assets

	Product Development	Total Intangible assets
<b>Cost</b>		
At April 1, 2016	8,027	8,027
Additions	-	-
Disposals/ Adjustments	-	-
<b>At March 31, 2017</b>	<b>8,027</b>	<b>8,027</b>
Additions	-	-
Disposals/ Adjustments	-	-
<b>At March 31, 2018</b>	<b>8,027</b>	<b>8,027</b>
<b>Depreciation/amortisation</b>		
At April 1, 2016	1,605	1,605
Charge for the year	1,605	1,605
Disposals/ Adjustments	-	-
<b>At March 31, 2017</b>	<b>3,211</b>	<b>3,211</b>
Charge for the year	1,605	1,605
Disposals/ Adjustments	-	-
<b>At March 31, 2018</b>	<b>4,816</b>	<b>4,816</b>
<b>Net Block</b>		
At April 1, 2016	6,422	6,422
At March 31, 2017	4,816	4,816
<b>At March 31, 2018</b>	<b>3,211</b>	<b>3,211</b>

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	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>4</b>	<b>Non-current Investments</b>			
	<b>a) Other non Current Investments</b>			
	<b>Quoted &amp; Valued at FVTOCI</b>			
	Investments in equity shares in other listed entities (Invested in Various securities in various dates)	129	102	102
	<b>Total</b>	<b>129</b>	<b>102</b>	<b>102</b>
	Aggregate book value of quoted investments	129	102	102
	Aggregate market value of quoted investments	129	102	102
<b>5</b>	<b>Loans - Financial assets - Non current</b>			
	<b>Unsecured and Considered Good</b>			
	a) Inter corporate Deposits	4,952	-	-
	<b>Total</b>	<b>4,952</b>	<b>-</b>	<b>-</b>
<b>6</b>	<b>Other financials assets -Non current</b>			
	<b>Bank deposits with more than 12 months</b>			
	i) In deposit Accounts	4,472	24,421	109,447
	ii) Deposits held as margin money against bank guarantee	45,836	74,900	15,000
	<b>Total</b>	<b>50,308</b>	<b>99,321</b>	<b>1,24,447</b>
<b>7</b>	<b>Deferred tax assets (net)</b>			
	<b>Deferred tax assets</b>			
	Accrued employee benefits	11,244	9,186	5,350
	Other timing differences	46	-	-
	<b>A</b>	<b>11,289</b>	<b>9,186</b>	<b>5,350</b>
	<b>Deferred tax liability</b>			
	Unabsorbed depreciation	71	3,672	132
	<b>B</b>	<b>71</b>	<b>3,672</b>	<b>132</b>
	<b>Total (A-B)</b>	<b>11,218</b>	<b>5,514</b>	<b>5,218</b>
<b>8</b>	<b>Non-Current tax assets (net)</b>			
	<b>a) TDS Receivable</b>	59,062	36,947	15,847
	<b>Total</b>	<b>59,062</b>	<b>36,947</b>	<b>15,847</b>
<b>9</b>	<b>Other Non-Current Assets</b>			
	a) Deferred Employee Compensation Expense	-	1,495	3,758
	b) Loans & Advances to Related Party			
	- Unsecured considered good	-	6,777	10,860
	c) Security & Other Deposits	4,812	5,761	4,708
	d) EMDs	813	1,036	15,639
	e) Advance for purchases	500	1,308	500
	<b>Total</b>	<b>6,125</b>	<b>16,377</b>	<b>35,464</b>

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	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>10</b>	<b>Inventories</b>			
	a) Work in Progress	373	9,009	-
	<b>Total</b>	<b>373</b>	<b>9,009</b>	<b>-</b>
<b>11</b>	<b>Trade Receivables - Unsecured considered good</b>			
	- Unsecured, considered good	2,55,086	1,59,329	2,65,952
	<b>Total</b>	<b>2,55,086</b>	<b>1,59,329</b>	<b>2,65,952</b>
Expected credit loss (ECL) assessment for corporate customers as at 1 April 2016, 31 March 2017 and 31 March 2018: The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to external ratings, management accounts and cash flow projections and available information about customers) and applying experienced credit judgement. The Company uses an allowance matrix to measure the expected credit loss of trade receivables and loans from individual customers, who are from diversified industrial background. Moreover, the Company's activity is to develop customized applications to suit the requirements of the specific customer. Different terms and conditions are followed for each assignment. Hence, it is also not practicable to define a specific pattern of realization. Therefore, the Company considers its historical expertise and the customer background and provides for the allowance appropriately.				
<b>12</b>	<b>Cash and Cash equivalents</b>			
	a) Cash on hand	84	79	114
	b) Balance with Banks			
	i) In Current Accounts	51,873	1,09,805	47,293
	<b>Total</b>	<b>51,957</b>	<b>1,09,883</b>	<b>47,407</b>
<b>13</b>	<b>Other financial assets- Current</b>			
	Interest accrued but not due	2,993	3,721	2,187
	Other loans and advances:			
	a) Advance for Purchases	300	300	1,064
	b) Staff Advances	678	1,074	1,602
	<b>Total</b>	<b>3,971</b>	<b>5,095</b>	<b>4,853</b>
<b>14</b>	<b>Current tax Assets</b>			
	TDS receivable	32,645	38,067	20,196
	<b>Total</b>	<b>32,645</b>	<b>38,067</b>	<b>20,196</b>
<b>15</b>	<b>Other Current Assets</b>			
	a) Other Advances			
	- Balances with statutory/ Government authorities	11,916	5,301	769
	- Prepaid expenses	7,130	4,767	4,062
	- Other advances	2,541	159	2,878
	<b>Total</b>	<b>21,586</b>	<b>10,227</b>	<b>7,709</b>

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Particulars		31-Mar-18		31-Mar-17		31-Mar-16	
		No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
16	Share Capital						
a)	Authorised Share Capital 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	250,000,000	500,000,000	250,000,000	500,000,000
b)	Issued, subscribed and fully paid up share capital Equity Shares of ₹ 2/- each	22,124,061	44,248,122	22,124,061	44,248,122	21,696,084	43,392,168
		22,124,061	44,248,122	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	31-Mar-18		31-Mar-17		31-Mar-16	
	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)	No.of Shares	(Amount in ₹)
<b>Equity Shares</b>						
At the beginning of the year	22,124,061	44,248,122	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	22,124,061	44,248,122	21,696,084	43,392,168
	22,124,061	44,248,122	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	31-Mar-18		31-Mar-17		31-Mar-16	
	No.of Shares held	% total holding	No.of Shares held	% total holding	No.of Shares held	% total holding
1 C.K.Shastri	1,714,792	7.75	1,714,792	7.75	1,714,792	7.90
2 Tikam Sujan	2,275,802	10.29	2,275,802	10.29	2,275,802	10.49
3 Jayant Dwarkanath	1,285,635	5.81	1,285,635	5.81	1,285,635	5.93

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	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b>17</b>	<b>Other Equity</b>			
	Share Premium	2,92,180	2,92,180	2,86,503
	Warrants Forfeiture	20,803	20,803	20,803
	Employee Stock Options Outstanding	3,377	3,377	9,054
	Balance in Profit & Loss Account	19,363	34,206	86,837
	Foreign Currency translation reserve	(1,496)	(3,652)	-
	Share Application Money pending allotment	430	-	-
	<b>Total</b>	<b>3,34,657</b>	<b>3,46,914</b>	<b>4,03,197</b>
<b>18</b>	<b>Financial Liabilities -Non current</b>			
	<b>Borrowings</b>			
	Secured loans			
	(a) From banks			
	- Term loans	38,888	-	-
	<b>Total</b>	<b>38,888</b>	<b>-</b>	<b>-</b>
Term loan of ₹ 5 crores from Axis Bank with repayment tenor of the loan 60 months including moratorium of 6 months with principle of ₹ 9,25,975 along with interest which was secured by creating charge on entire existing unencumbered moveable fixed assets and assets proposed to be purchased from the term loan proceedings.				
Rate of Interest : 9.75% per annum				
12 installments relating to the next financial year has been classified as current maturities of long term debt which was grouped under other current financial liabilities.				
<b>19</b>	<b>Provisions - Non-current</b>			
	Provision for employee benefits:			
	- Gratuity	37,867	22,685	15,496
	- Compensated absences	2,549	-	-
	- Other Provisions	49	1,086	1,953
	<b>Total</b>	<b>40,464</b>	<b>23,771</b>	<b>17,449</b>
<b>20</b>	<b>Financial Liabilities - Current Borrowings</b>			
	Axis Bank, Secunderabad Branch	-	23,867	-
	(against Accounts Receivables & Hypothecation of Fixed Deposits)			
	State Bank of Hyderabad, Commercial Branch, Secunderabad	-	-	40,513
	(against Hypothecation of Fixed Deposits)			
	<b>Total</b>	<b>-</b>	<b>23,867</b>	<b>40,513</b>
<b>21</b>	<b>Trade Payables</b>	15,295	58,309	5,858
	<b>Total</b>	<b>15,295</b>	<b>58,309</b>	<b>5,858</b>
<b>22</b>	<b>Other current financial liabilities</b>			
	Current Maturities of Long term Debt			
	- Term loans	11,112	-	-
	- Equipment and vehicle loans	176	-	-
	Interest accrued but not due	414	-	-
	<b>Total</b>	<b>11,702</b>	<b>-</b>	<b>-</b>
<b>23</b>	<b>Other Current Liabilities</b>			
	Advance from Customers	258	992	-
	Provision for Expenses	23,864	39,157	32,942
	Statutory Dues Payable	6,855	14,554	7,337
	<b>Total</b>	<b>30,976</b>	<b>54,703</b>	<b>40,279</b>
<b>24</b>	<b>Provisions -Current</b>			
	Income Tax	31,172	12,620	2,440
	<b>Total</b>	<b>31,172</b>	<b>12,620</b>	<b>2,440</b>



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Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>25 Revenue from operations (Net)</b>		
From Sale of Products	1,55,220	97,407
From Services	381,712	4,55,433
<b>Total</b>	<b>5,36,932</b>	<b>5,52,840</b>
<b>26 Other Income</b>		
Dividend Received	2	2
Interest	5,584	6,391
Foreign Exchange Fluctuations	6,448	3,627
Expected Return on Plan Assets	305	454
Miscellaneous Income	1,225	-
<b>Total</b>	<b>13,565</b>	<b>10,473</b>
<b>27 Operating Expenses</b>		
Contract Cost	12,269	-
AMC Charges	8,004	85
Consumables	655	999
Electricity Charges	5,866	5,580
Repairs & Maintenance	1,427	1,053
<b>Total</b>	<b>28,222</b>	<b>7,716</b>
<b>28 Employee Benefits Expense</b>		
Salaries	2,80,348	3,24,520
Employee Compensation Expense	1,495	2,264
Gratuity	4,148	3,524
Group Medical Insurance to Staff	4,521	5,664
Leave Encashment Expense	2,549	-
Staff Welfare	15,051	19,451
<b>Total</b>	<b>3,08,111</b>	<b>3,55,422</b>
<b>29 Finance Costs</b>		
Interest		
- On Term Loan	1,539	-
- On Vehicle Loan	45	154
- On OD A/c	1,520	1,594
- On Others	3,864	264
Bank Charges & Commission	2,315	7,066
<b>Total</b>	<b>9,283</b>	<b>9,078</b>

## Intense Technologies Limited

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### Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>30 Other Expenses</b>		
Advertisement	140	113
AGM Expenses	45	94
Statutory Audit Fees	450	450
Bad debts Written off	20,640	16,171
Books,Periodicals& News Papers	31	51
Business Promotion	843	4,011
Commission & Brokerage	86	380
Directors Remuneration	7,722	13,600
Housekeeping Expenses	587	584
Insurance	723	555
Office Maintenance	1,324	2,399
Courier and Postage	301	495
Printing & Stationery	591	716
Consultancy & Professional Charges	28,508	49,618
Rates & Taxes	4,794	5,300
Rent	11,184	17,027
Scanning charges	17,804	13,298
Security Services	473	468
Communication Expenses	4,284	8,412
Travelling Expenses	31,750	60,361
Vehicle Insurance	97	93
<b>Total</b>	<b>1,32,377</b>	<b>1,94,197</b>
<b>31 Components of Other Comprehensive Income (OCI)</b>		
Re-measurement gains/(losses) on employee defined benefit plans	(14,064)	(6,646)
Deferred tax effect on remeasurement costs	3,913	2,197
Equity instruments through other comprehensive income	454	-
<b>Total</b>	<b>(9,698)</b>	<b>(4,448)</b>

## Intense Technologies Limited

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### Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 32. Earning per equity share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2018	March 31, 2017
Loss for the year	(4,719)	(48,182)
Weighted average number of equity shares considered for calculation of basic earnings per share	22,124	22,124
Add: Effect of dilution		
Effect of dilution on account of Employee Stock Options granted	1,881	251
Weighted average number of equity Shares considered for calculation of diluted earnings per share	24,006	22,375
Earnings per share		
- Basic	(0.21)	(2.18)
- Diluted	(0.20)	(2.15)

#### 33. Commitments and Contingencies

##### Contingent liabilities

Particulars	March 31, 2018	March 31, 2017
Counter Guarantees given to Banks towards issue of B.G.s	189,000	189,000
Outstanding Bank Guarantees	189,000	189,000
Dues relating to Service tax*	20,780	20,780

\* The company has preferred an appeal before Service tax appellate tribunal over a demand raised for the financial years 2008-09 to 2011-12 in respect of service tax demand for 20,780 thousand rupees. Based on the consultant's opinion, the company is confident of favourable result.

#### 34. Employee benefits

##### a) Defined contribution plan

Particulars	March 31, 2018	March 31, 2017
Contribution to provident and other funds recognised as expense in the Statement of P & L	9,195	9,176

##### b) Disclosures related to defined benefit plan

The Group has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the fund status and balance sheet position:

##### A) Net employee benefit expense (included under employee benefit expenses)

Particulars	March 31, 2018	March 31, 2017
Current service cost	1,813	1,733
Interest cost on benefit obligation	2,336	1,791
Expected return on plan assets	478	454
<b>Net employee benefit expenses</b>	<b>4,626</b>	<b>3,978</b>

##### B) Amount recognised in the Balance Sheet

Particulars	March 31, 2018	March 31, 2017
Defined benefit obligation	40,644	29,195
Fair value of plan assets	2,777	6,510
<b>Net Plan Liability</b>	<b>37,867</b>	<b>22,685</b>

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### Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### C) Changes in the present value of the defined benefit obligation for Gratuity are as follows

Particulars	March 31, 2018	March 31, 2017
Opening defined benefit obligation	29,195	22,382
Current service cost	1,813	1,733
Interest cost	2,336	1,791
Benefits paid	(6,763)	(3,357)
Net Actuarial (gains)/losses on obligation for the year recognised under OCI	14,064	6,646
<b>Closing defined benefit obligation</b>	<b>40,644</b>	<b>29,195</b>

#### D) Changes in fair value of plan assets

Particulars	March 31, 2018	March 31, 2017
Opening fair value of plan assets	6,541	6,200
Expected return	478	454
Contributions by employer	2,522	3,214
Actuarial Gain/(Loss) on plan assets	-	-
Benefits paid	(6,763)	(3,357)
<b>Closing fair value of plan assets</b>	<b>2,777</b>	<b>6,510</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2018	March 31, 2017
Investments with Life Insurance Corporation	100%	100%

#### E) Amount recognised in statement of other comprehensive income (OCI):(gross)

Particulars	March 31, 2018	March 31, 2017
Remeasurement for the year - Obligation gain	14,064	6,646
<b>Closing amount recognised in OCI</b>	<b>14,064</b>	<b>6,646</b>

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below

Particulars	March 31, 2018	March 31, 2017
Discount rate	8%	8%
Expected rate of return on assets	6%	6%
Salary rise	6%	6%

1.The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

2.The expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

#### 35. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Group companies doesn't have any dues to micro and small enterprises as defined under the MSMED Act,2016 for the year ended 31st March 2018 and 31st March 2017

#### 36.Remuneration to Statutory auditors

Particulars	March 31, 2018	March 31, 2017
As Auditor		
Statutory audit & Limited review	450	450
<b>Total</b>	<b>450</b>	<b>450</b>

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### Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 37. Related party disclosures

##### Names of related parties and description of relationship

Name of the related party	Relationship
C.K.Shastri	Chairman and Managing Director
Jayant Dwarkanath	Wholetime Director
Tejaswi K	Company Secretary & Compliance Officer
H.Madhukar Nayak	Head-Finance
Sarada Devi Vemuri	Director
Pavan Kumar Pulavarty	Director
Srivat Shanker Rao Kandukuri	Director
Vadlamani Shyamsunder Mallick	Director
Tikam Sujan	Director

##### Relatives to key managerial personnel

1	Anisha Chidhella	Daughter of Chairman and Managing Director
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##### Transactions during the year

Particulars	March 31, 2018	March 31, 2017
C.K.Shastri		
Managerial Remuneration	3,861	6,800
Jayant Dwarkanath		
Managerial Remuneration	3,861	6,800

#### 38 Taxes (a)

Particulars	March 31, 2018	March 31, 2017
Current tax	37,220	12,620
Deferred tax charge/ (credit)	(1,759)	1,902
<b>Total income tax expense recognised in statement of Profit &amp; Loss</b>	<b>35,461</b>	<b>14,522</b>
<b>(b) Reconciliation of effective tax rate:</b>		
Profit Before Tax (A)	61,797	38,794
Enacted tax rate in India (B) %	28	33
Expected tax expenses (C = A*B)	17,027	12,826
Additional deduction under Income Tax Act, 1961	(8,509)	(13,681)
Expenses disallowed under Income Tax Act, 1961	22,654	13,475
Income tax relating to previous years	6,048	-
<b>Income tax expenses</b>	<b>37,220</b>	<b>12,620</b>

(c) The details of component of deferred tax assets are given under note 7.

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## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### 39. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### (A) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

#### (i) Lease commitments - the Company as lessee

The Group has entered into leases for office premises. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the land and office premises and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and the office premises and accounts for the contracts as operating leases.

#### (B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (i) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 34

### 40. Fair Values

The management assessed that loans, cash and cash equivalents, trade receivables, borrowings, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### 41. Financial risk management objectives and policies

#### Financial Risk Management Framework

The Group is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

#### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivable.

#### Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was in thousands, ₹ 2,55,086 ₹ 1,59,329 and ₹ 2,65,952 as of March 31, 2018, March 31, 2017 and April 1, 2016 respectively, being the total of the carrying amount of balances with trade receivables.



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## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

### Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes around 30% of outstanding trade receivable as of March 31, 2018, March 31, 2017 and April 01, 2016, however there was no default on account of those customer in the past.

Before accepting any new customer, the Group uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits of customer. Limits and scoring attributed to customers are reviewed at periodic intervals. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

### Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. As the Company's debt obligation with Fixed interest rates are in Rupees which is subject to insignificant change, exposure to the risk of changes in market interest rates are substantially independent of changes in market interest rates.

As the company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

### Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euros, AED and GBP against the functional currencies of the Company.

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-USD			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Trade receivables	1,385	967	1,482	90,189	62,606	92,836

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-EURO			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Trade receivables	-	297	419	-	20,618	31,034

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under -

Particulars	In foreign currency-GBP			In Rupees		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Trade receivables	-	3	2	-	26	196
Loans and advances	60	963	540	5,473	78,312	51,374

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(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

#### 42. Segment reporting

The Company is engaged in software development, which in the context of Ind AS 108 is considered only business segment.

Particulars	March 31, 2018			March 31, 2017		
	Outside India	Within India	Total	Outside India	Within India	Total
Revenue	2,56,668	2,80,264	5,36,932	2,22,633	3,30,207	5,52,840

#### 43. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Percentage of equity interest			
	Country of incorporation	March 31, 2018	March 31, 2017	April 01, 2016
Intense Technologies FZE	UAE	100%	100%	100%
Intense Technologies U.K Ltd	United Kindom	100%	100%	100%
Intense Technologies INC	USA	100%	100%	100%

#### 44. Statutory Group Information

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹	As % of consolidated profit and loss	₹	As % of consolidated other comprehensive income	₹	As % of total comprehensive income	₹
<b>Parent</b>								
Intense Technologies limited								
Balance as at March 31, 2018	168%	636,443	-946%	44,556	104%	10,151	-239%	34,431
Balance as at March 31, 2017	154%	601,557	-0.71	34,441	100%	4,448	-57%	29,993
<b>Subsidiaries</b>								
<b>Foreign</b>								
Intense Technologies U.K Ltd								
Balance as at March 31, 2018	-1%	(3,805)	558%	(26,272)	-	-	182%	(26,272)
Balance as at March 31, 2017	-20%	(79,728)	0.75	(36,269)			69%	(36,269)
Intense Technologies INC								
Balance as at March 31, 2018	3%	9,541	303%	(14,280)	-	-	99%	(14,280)
Balance as at March 31, 2017	-16%	(63,239)	0.48	(23,171)			44%	(23,171)
Intense Technologies FZE								
Balance as at March 31, 2018	-6%	(24,225)	185%	(8,715)	-	-	60%	(8,715)
Balance as at March 31, 2017	-12%	(47,981)	0.48	(23,184)			44%	(23,184)
On account of Eliminations								
Balance as at March 31, 2018	-63%	(239,049)	0%	-	(0.04)	(427)	-3%	427
Balance as at March 31, 2017	-5%	(19,447)	0%	-			0%	-
<b>Balance as at March 31, 2018</b>	<b>100%</b>	<b>378,905</b>	<b>100%</b>	<b>(4,711)</b>	<b>100%</b>	<b>9,724</b>	<b>100%</b>	<b>(14,418)</b>
<b>Balance as at March 31, 2017</b>	<b>100%</b>	<b>391,162</b>	<b>100%</b>	<b>(48,182)</b>	<b>100%</b>	<b>4,448</b>	<b>100%</b>	<b>(52,631)</b>

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### 45. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by Equity plus net debt. Net debt consists of borrowings including interest accrued on borrowings, trade and other payables, less cash and short-term deposits.

Particulars	March 31, 2018	March 31, 2017
Borrowings including interest accrued on borrowings	50,591	-
Trade and other payables	15,295	58,309
Other liabilities	30,976	54,703
Less: Cash and short-term deposits	51,957	1,09,883
<b>Net debt</b>	<b>1,48,819</b>	<b>2,22,895</b>
Equity	44,248	44,248
Other Equity	3,34,657	3,46,914
<b>Total Equity</b>	<b>3,78,905</b>	<b>3,91,162</b>
<b>Equity and net debt</b>	<b>5,27,724</b>	<b>6,14,058</b>
Gearing ratio	0.28	0.36

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018.

### 46. First time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first set of financial statements, the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP").

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 1, 2016, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

### Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

(a) Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 1, 2017. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS. The Company recognises all assets acquired and liabilities assumed in a past business combination. Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS balance sheet. The Group did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

(b) Ind AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind AS balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind AS 101, the Company has tested goodwill for impairment at the date of transition to Ind AS. No goodwill impairment was deemed necessary at 1 April 2015.

(c) The Group has elected to regard carrying values for all of property, plant and equipment as deemed cost at the date of the transition.

(d) The Group applied Ind AS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Group has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants. Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

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(e) Ind AS 101 requires a first-time adopter to apply derecognition requirements in Ind AS 109 prospectively to transactions occurring on or after the date of transition to Ind AS. Accordingly, the Group continues to de-recognise the financial assets and financial liabilities for transactions which have occurred before the date of transition to Ind AS.

(f) The Group has elected to avail Ind AS 101 exemption with regard to Long Term Foreign Currency Monetary Items and may continue to adopt for accounting for exchange differences arising from translation of long-term foreign currency monetary items to be recognised in statement of profit and loss.

(g) Under Ind AS 109, at initial recognition of a financial asset, an entity may take irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial asset as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Group has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

(h) In the preparation of separate financial statements, Ind AS 27 Separate Financial Statements requires an entity to account for its investments in subsidiaries, jointly controlled entities and associates either:

- a) At cost, or
- b) In accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost, it can measure that investment at one of the following amounts in its separate opening Ind AS balance sheet:

- Cost determined in accordance with Ind AS 27
- Deemed cost, defined as
  - Fair value determined in accordance with Ind AS 113 at the date of transition to Ind AS, or
  - Previous GAAP carrying amount at the transition date.

A first-time adopter may choose to use either of these bases to measure investment in each subsidiary, joint venture or associate where it elects to use a deemed cost.

Accordingly, the Company has opted to carry the investment in subsidiaries and associate at the Previous GAAP carrying amount at the transition date.

### Estimates

The estimates as at April 01, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2016 (transition date), March 31, 2017 and March 31, 2018.

### Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS

The reconciliation of Equity as previously reported (referred to as 'Indian GAAP') and as per Ind AS is as per the table below:

Particulars	31.03.2017	01.04.2016
<b>Equity as per previous Indian GAAP</b>	<b>4,78,188</b>	<b>4,27,640</b>
Restatement of Prior Period Income pertaining to FY 2016-17	(1,50,000)	-
Amortisation of Preliminary Expenses	-	(646)
Current tax Adjustments	47,930	-
Deferred Tax on adjustments	(17,271)	(19,286)
Fair valuation of investments	579	65
Prior period Items Adjusted in Opening reserves	-	(4,576)
Foreign Currency translation reserve	(12,511)	-
<b>Equity as per Ind AS</b>	<b>3,46,914</b>	<b>4,03,197</b>

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## Notes to Consolidated Financial Statements for the year ended 31st March 2018

(All amounts are in Indian Rupees in thousands, except share data and unless otherwise stated)

Reconciliation of net profit for the corresponding year ended March 31, 2017 between previous Indian GAAP and Ind AS is as under:

Nature of Adjustments	Rupees in Thousands
	Year ended Mar 31, 2017
<b>Profit as per erstwhile Indian GAAP</b>	<b>41,689</b>
Restatement of Prior Period Income pertaining to FY 2016-17	(1,50,000)
Re-measurement gains/(losses) on employee defined benefit plans	6,646
Unamortised expense adjusted against opening retained earnings	5,736
Current tax Adjustments	47,930
Deferred tax adjustments	(183)
<b>Net Profit Under Ind AS</b>	<b>(48,182)</b>
Other Comprehensive income, net of tax	(4,448)
<b>Total Comprehensive Income</b>	<b>(52,631)</b>

### i. Investments

Investments in equity instruments are carried at fair value through OCI as per IND-AS 109 as compared to being carried at cost under Previous GAAP.

### ii. Deferred Tax Liabilities

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires accounting for deferred taxes using the Balance sheet approach, which focuses on temporary difference between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP. In addition, the various transitional adjustments lead to temporary differences and the Company has accounted for such differences. Deferred tax adjustment are recognised in correlation to the underlying transaction in other equity.

### iii. Remeasure of actuarial gains/ (losses):

Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is increased by ₹ 6645 thousand and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI.

### iv. Other comprehensive income

As per Ind AS, the company translated Previous GAAP profit or loss to total comprehensive income .

### v. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

### vi. Adjustments to Opening reserves

Preliminary expenses which has been classified in BS as Other Assets have been adjusted to Opening reserves

### vii. Prior period adjustments

Prior period adjustments in Profit and loss account have been adjusted to opening reserves

As per our Report of even date attached

For M.V. NARAYANA REDDY & CO.,  
Chartered Accountants  
Firm Regn No. 002370S

Y Subba Rami Reddy  
Partner  
M No: 218248

Date: 30 May, 2018  
Place: Hyderabad

For and on behalf of the Board of Directors of  
**INTENSE TECHNOLOGIES LIMITED**

C.K. Shastri  
Managing Director  
DIN : 00329398

Jayant Dwarkanath  
Director  
DIN : 00329597

K. Tejaswi  
Company Secretary

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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 28<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 28th Annual General Meeting of the Company held on 27th day of September, 2018 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)

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Website: www.in10stech.com; E-mail: info@in10stech.com

### Proxy Form

[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, Vikrampuri, 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 28th Annual General Meeting of the Company, to be held on 27th day of September, 2018 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 Statements, Reports of the Board of Directors and Auditors		
2.	Re-appointment of Mr. Tikam Sujan who retires by rotation		
3.	Appointment of M/s. MSPR & Co., Chartered Accountants as Statutory Auditors.		
<b>Special business</b>			
4.	Re-appointment of Mr. C.K. Shastri as Managing Director		
5.	Re-appointment of Mr. Jayant Dwarkanath as Whole time Director		
6.	Appointment of Ms. Anisha Chidella as Director of the Company		
7.	Appointment of Ms. Anisha Chidella as Whole time Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Signature of Shareholder.....

Signature of Proxy holder(s).....

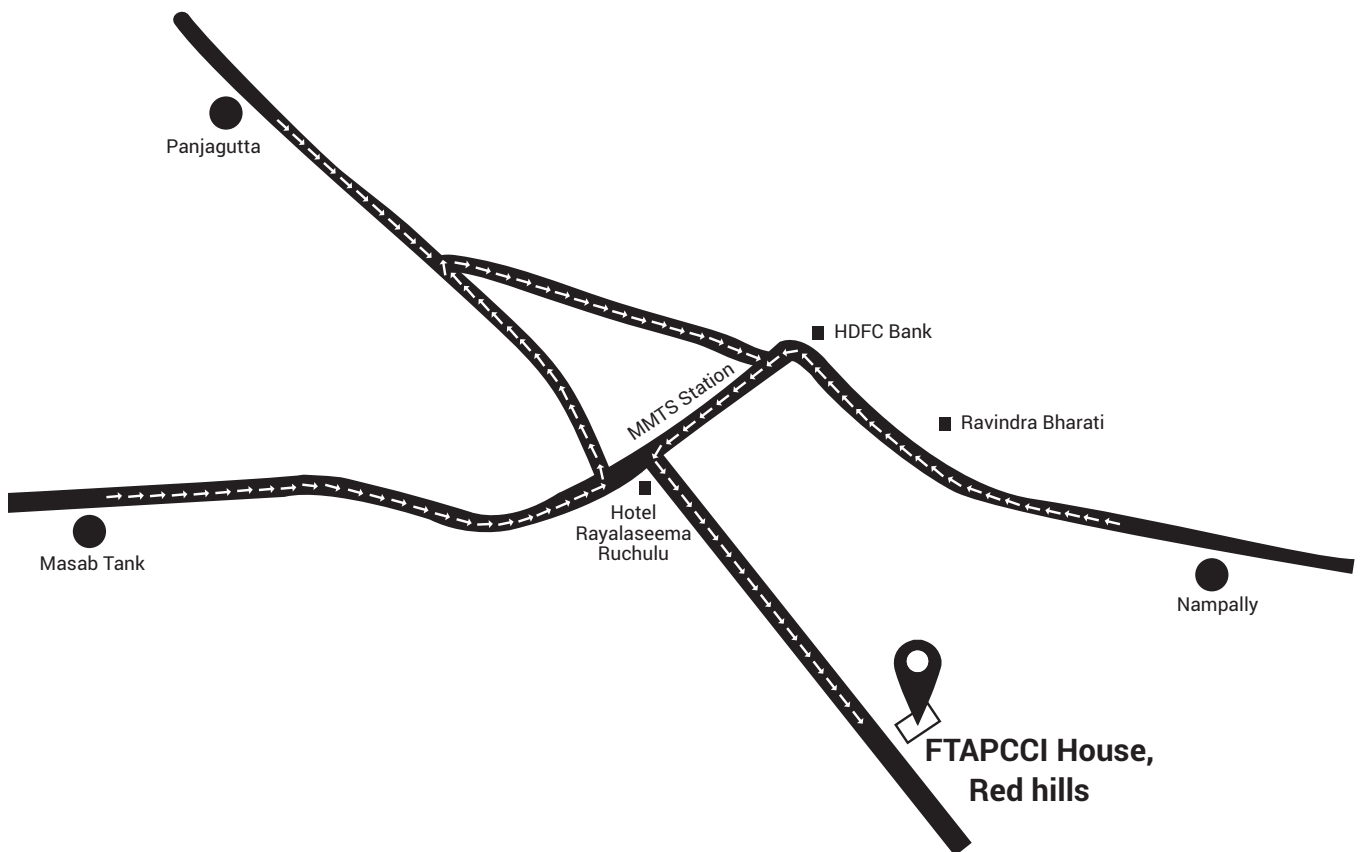
**Note:** This of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.



# 28<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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