Board of Directors

Chairman & Managing Director	:	C.K.Shastri
Whole time Director	:	Jayant Dwarkanath
Director	:	Tikam Sujan
Director	:	P. Anil Kumar
Director	:	V. Sarada Devi
Director	:	P. Pavan Kumar
Director	:	K. S. Shanker Rao
Director	:	V.S. Mallick
Company Secretary	:	K. Tejaswi
Auditors	:	Srinivas P & Associates Chartered Accountants 301, Madhava Apts. Hill Colony, Khairatabad, Hyderabad – 500 004
Bankers	:	State Bank of Hyderabad HDFC Bank Ltd.
Registered Office	:	A 1, Vikrampuri, Secunderabad – 500 009 Tel No. 44558585 / 27849019 Fax: 27819040 e-mail ID: tejaswi@intense.co.in
Registrar & Share Transfer Agents	:	Karvy Computershare Private Ltd. Plot No. 17/24, Next to Image Hospitals, Vittalrao Nagar, Madhapur, Hyderabad – 500 081

Contents

21ST ANNUAL GENERAL MEETING
on Friday, the 30th day of September, 2011 at 10.30 A.M. at Surana Udyog Auditorium,
FAPCCI House, Red Hills, Lakdi Ka Pul,
Hyderabad – 500 004.

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of Intense Technologies Limited will be held on Friday, the 30th September 2011 at 10.30 A.M at Surana Udyog Auditorium, FAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad –500 004, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and the Report of the Auditors' and Directors' thereon.
2. To appoint a Director in place of K.S. Shanker Rao, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of V.S.Mallick, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint the Auditors and fix their remuneration.

SPECIAL BUSINESS:

5. Delisting from The Calcutta Stock Exchange Ltd.

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

"RESOLVED THAT pursuant to the provisions of the SEBI (Delisting of Equity Shares) Regulations, 2009 and subject to the provisions of the Security Contract and Regulation Act, 1956, Listing Agreement, Central Listing Authority and any other such consent, approval and any directions or modifications as may be issued by any regulatory authorities, the consent of the members of the Company be and is hereby granted for voluntary delisting of equity shares of Rs. 10/- each from The Calcutta Stock Exchange Limited to the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to accept any terms and conditions as may be imposed by the Stock Exchanges, Central Listing Authority, SEBI or any regulatory authorities and to settle all the questions and matters arising out of and incidental to the proposed voluntary delisting of the equity shares of the Company from the above said Stock Exchange and to take all necessary steps including execution of all writings, which the Board, in its absolute discretion consider necessary, proper or expedient for giving effect to the above said resolution."

For and on behalf of the Board

C.K.Shastri
Chairman &
Managing Director

Place: Secunderabad
Date: 24th August 2011

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company shall remain closed on the 30th day of September 2011.
3. The Explanatory Statement in respect of item no. 5 is annexed hereto.
4. Members holding shares in physical form are requested to inform any change in their address/ mandate/e-mail address to the Company's Registrars and Transfer Agents, Karvy Computershare Private Ltd. at Plot No. 17/24, Next to Image Hospitals, Vittalrao Nagar, Madhapur, Hyderabad – 500081. Members holding shares in electronic form must submit the information about change in address to their respective Depository Participant.

Additional Information about the Directors' being appointed / re-appointed in accordance with the provisions of Corporate Governance:

Kandukuri Srivath Shanker Rao - Director

K.S.Shanker Rao is a civil engineer, a fellow of the Indian Institute of Engineers and a Chartered Engineer. He has vast experience in the construction of mega projects dealing with all disciplines of project management including industrial relations and HRD. He also has wide experience in field of arbitration.

V. Siva Rama Mallick - Director

V.Siva Rama Mallick has acquired hands on experience in technical services while he was with Hindustan Packaging Company Limited, A&R Packaging Limited. He founded Superpack Packaging Machines Private Limited and is now associated with Kanha Shanti Vanam a Section 25 company based in Hyderabad.

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956

Item No. 5:

The Company's Equity Shares are listed with the Bombay Stock Exchange Limited (BSE), where the shares are regularly and actively traded. The equity shares are also listed with The Calcutta Stock Exchange Limited, where there is hardly any trading on Company's equity shares since a long time.

In terms of the SEBI (Delisting of Equity Shares) Regulations, 2009, recently announced by the SEBI, the Companies have been permitted for voluntary delisting of shares including from the Regional Stock Exchange, subject to the compliance of the terms and conditions of the said guidelines.

Since Bombay Stock Exchange Limited, (BSE) is having nationwide trading terminals and the investors have access to these terminals across India, trade and deal in Company's shares across the country. Also the listing of equity shares of the Company on The Calcutta Stock Exchange Limited is not providing any significant tangible advantage to the shareholders and investors of the Company.

The Board therefore at their meeting held on 24th August, 2011 recommended for voluntary delisting of the Company's Equity Shares from The Calcutta Stock Exchange Limited and continue its listing only with the Bombay Stock Exchange Limited (BSE) to avoid unnecessary financial and administrative burden due to multiple compliance of the various clauses of the Listing Agreement from time to time and to provide better services to the investors through the nationwide Stock Exchange terminals of Bombay Stock Exchange Limited (BSE).

Your Directors' recommend passing the said resolution as a Special Resolution as set out in Item No. 5 of the notice, for voluntarily delisting the Shares of the Company from said Stock Exchange.

None of the Directors are concerned or interested in the above said resolution, except as a member of the Company.

For and on behalf of the Board

C.K.Shastri
Chairman &
Managing Director

Place: Secunderabad
Date: 24th August 2011

Directors' Report to the Shareholders

Your Directors' have pleasure in presenting the Twenty First Annual Report on the Business and Operations of the Company and the Audited Statement of Accounts for the year ended 31st March 2011:

Financial Highlights

(Rs. in Lakhs)

	Current Year 2010-2011	Previous Year 2009-2010
Gross Revenue	1554.33	1135.00
Total Expenditure	1881.94	1815.96
Financial Expenses	3.28	4.43
Operating Profit/(Loss)	(330.89)	(685.39)

Review of Operations:

During the year your Company registered gross income of Rs.1554.33 lakhs (previous year Rs.1135.00 lakhs). The company recorded an operating loss of Rs. 330.89 lakhs as against an operating loss of Rs.685.39 lakhs in the previous year.

The revenues for the year have not been in line with our plans and expectations owing to long selling cycles of our products and few of our key prospects resorted to deferment on their IT investments. The telecom sector continues to be the major source of our revenues followed by the Insurance sector. The management has taken into cognizance the need to replicate the successes in telecom across all other verticals like Banking, Insurance, Utilities, Government and Manufacturing verticals.

Making our solutions cloud ready and partnering with large system integrators to host our solutions as SaaS (Software as a Service) model will have a great impact in reducing our selling cycles and also increase our market penetration.

The Company has top Indian enterprises as its customers today and enjoys healthy partnerships with global System Integrators. Leveraging our existing customers along with partnerships should yield better revenues in the future.

Sales, Marketing and Distribution:

Being in the enterprise products' space, marketing is critical to improve the proliferation of the 'Intense' brand and its offerings. Partnerships and alliance are the fastest way to penetrate markets and reach customers. Our products are ready to be hosted on cloud and we have entered into partnerships with leading system integrators to host our products on their cloud platform.

Our partnerships with global system integrators, office automation vendors and technology resellers are showing improved traction for our products. The Company has also initiated steps to strike partnerships for the US geography. Substantial progress has been already made on this front. On the product front, our flagship products have been successfully certified by SAP for integration. This has opened up new vertical of manufacturing. We see a huge potential in this vertical and Go-to-Market is underway to launch our products to the manufacturing vertical in India.

We are working towards building a single framework for all our products to reduce time for deployment and enable greater flexibility to customers.

The Company will continue to support the efforts in selling the products, strengthen the brand name in India and abroad. The Company will focus more on developing and maintaining a proper brand image and undertake a number of activities that will aim at enhancing brand recognition.

The Company's brand building efforts will cover Social Media Marketing as a big initiative. The Company believes that these initiatives will contribute to higher revenues, and assist in attracting and retaining good talent.

- New geographies, newer customers.
- Existing customer, enhanced products.
- Product proliferation in the customer business ecosystem.

Future outlook:

With leading system integrators agreeing to host our products on their cloud platforms, the Company is already experiencing signs of optimism from its prospective customers. That said, the Company's success with enterprise customers including small and medium business reflects a promising and robust growth. The fact that the Company is a leader in the customer communications management space in India Telecom vertical and has covered significant ground in the Insurance vertical is in itself an indication of the business.

Today the Company also enjoys good customer reference base, which can be leveraged to replicate the domestic success across the globe. The focus would be to take our products to Middle East, Africa and Asia Pacific. The Company expects increased traction for its products from enterprises of all sizes and scales. The hosted model, flexible pricing should improve the affordability and help enterprises gradually scale their operations with our products and support.

Dividend:

The Company could not recommend any dividend for the year under review.

Utilization of Proceeds of Funds raised:

In terms of Clause 41 of the Listing Agreement with the Stock Exchanges where the shares of the company are listed, the details of utilization of proceeds of funds raised during the years' 2007-08 / 2010- 2011 by issue of shares to QIB's and on preferential basis to specified persons / entities are as follows:

(Rs. in lakhs)

	2010-11	**2009-10**
Opening Balance	1471.43	1569.99
Funds raised	45.00	108.00
Total - A	**1516.43**	**1677.99**
Less: Funds utilized		
Capital Expenditure	-	106.95
Revenue Expenditure	526.65	99.61
Total Utilized Total - B	**526.65**	**206.56**
Unutilized (Bank Deposits)	**989.78**	**1471.43**

Directors:

K.S. Shanker Rao and V.S. Mallick, Directors' of the company, retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Deposits:

The Company has not accepted any public deposits during the year under review.

Insurance & Risk Management:

All the properties of your Company have been adequately insured. The Company from time to time has been conducting exercises on Risk Management and minimization procedures. This has been need based and being done by internal Management.

Internal Audit/ Internal Control Systems and their adequacy:

The internal controls of the Company are operated through an exhaustive system of internal checks and balances involving interdependencies of job responsibilities, which ensure that there are joint discussions and approvals before any financial commitments are made.

Auditors:

Srinivas P. & Associates, Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility and willingness to accept office, if reappointed.

Energy, Technology and Foreign Exchange:

Additional information in terms of Section 217 (1) (e) of the Companies Act, 1956, is annexed hereto (Annexure-I).

Particulars of Employees:

The following employees were in receipt of remuneration in excess of limits specified in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

S. No.	Name of the Employee	Salary p.m. Rs.	Designation
1	C.K.Shastri	2,50,000	Managing Director
2	Jayant Dwarkanath	2,50,000	Whole time Director
3	Srinivas Tangirala	2,25,000	Sr. Vice President-Product Engg.
4	N.N. Venkata Vithal	3,06,000	Chief Operating Officer

Employees Stock Option Plan:

As required by Clause 12 of SEBI (Employee Stock Options Scheme and Employees Stock Purchase Scheme) Guidelines 1999, the disclosures of the Employees Stock Option Plan 2005, Stock Option Plan A 2007, Stock Option Plan B 2007, Stock Option Plan A 2009 and Stock Option Plan B 2009 which are in force are given in Annexure - II

Management Discussion & Analysis:

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Management Discussion & Analysis is set out as Annexure- III to this report.

Directors' Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors' confirm the following that:

(i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(ii) The Directors' have 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 or loss of your company for that period.

(iii) The Directors' have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(iv) The Directors' have prepared the annual accounts on a going concern basis.

Corporate Governance:

A report on Corporate Governance including Auditors' Certificate thereon as per Clause 49 of the Listing Agreement is enclosed and forms part of this Annual Report.

Stock Exchange Listing:

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited. The Company confirms that it has paid Annual Listing Fees due to both the Stock Exchanges for the year 2010-2011.

Acknowledgments:

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

For and on behalf of the Board

Place: Secunderabad
Date: 24th August 2011

C.K.Shastri
Chairman & Managing Director

ANNEXURE - I TO THE DIRECTORS' REPORT:

Disclosure of particulars in respect of Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings and Outgo required under Companies (Disclosure of particulars in the Directors' Report) Rules 1988.

A. Conservation of Energy:

The operations of the company are not energy intensive. However the company endeavors to conserve energy consumption wherever possible.

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

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

   i) Continuous research to upgrade existing products and to develop new products and services.

   ii) To enhance its capability and customer service the company continues to carry out R & D activities in house.

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

   i) Introduction of new and qualitative products.

   ii) Up-gradation 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: **(Rs. in lakhs)**

	2010-11	2009-10
a) Foreign Exchange Earnings		
FOB Value of Goods exported	**195.13**	46.39
b) Foreign Exchange Outgo		
1) Hardware/Software	**-**	128.38
2) Travelling	**10.12**	4.77
3) Other expenditure incurred	**28.64**	8.11
4) Transferred to Singapore Branch	**57.64**	79.07

For and on behalf of the Board

Place: Secunderabad
Date: 24th August 2011

C.K.Shastri
Chairman & Managing Director

ANNEXURE - II TO THE DIRECTORS' REPORT:

Disclosures pursuant to Para 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999.

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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999:

1. Fortune Employees Stock Option Plan 2005;
2. Intense Employees Stock Option Plan – A 2007;
3. Intense Employees Stock Option Plan – B 2007;
4. Intense Employee Stock Option Plan Scheme – A 2009 and
5. Intense Employee Stock Option Plan Scheme – B 2009

The requisite disclosures of particulars with respect to these schemes during the year 2010-11 are as under:

1. Fortune Employees Stock Option Plan 2005:

Particulars	As on 01.04.2010	2010-11	As on 31.03.2011
Grant Price (Rs.)	10.00	-	10.00
Exercise Price (Rs.)	10.00	-	10.00
No. of Options Granted	24,20,800	12,98,000	#15,56,000
No. of Options Exercised	7,03,800	-	7,03,800
No. of Options Lapsed	6,53,750	8,05,250	14,59,000
No. of Options Outstanding (in force)	10,63,250	2,58,000	2,58,000

a. Total Number of shares arising as a result of exercise: 7,03,800

b. Maximum number of options approved by the shareholders 30,00,000

c. Pricing Formula: Exercise price for the options granted under this plan is Rs. 10/- per share

d. Vesting schedule

i) Upon completion of 1 year from the date of grant, 25% of the total options granted shall vest and become vested options.

ii) Upon completion of 2 years from the date of grant, 25% of the total options granted shall vest and become vested options.

iii) Upon completion of 3 years from the date of grant, 25% of the total options granted shall vest and become vested options.

iv) Upon completion of 4 years from the date of grant, the balance 25% of the total options granted shall vest and become vested options.

e. As per the plan, options lapsed i.e. unexercised options on account of resignation etc., shall become available for future grants under the existing plan.

f. Number of options available to be granted: 7,40,200 ##

g. Variations in terms of Option: NIL

h. Number of options vested during the year: 1,33,000

i. Number of options granted during the year: 12,98,000

j. No options were exercised during the year.

Note: Out of 24,20,800 options, 2,58,000 options are still in force.

##

Particulars	Number of options
Total number of options approved by shareholders	30,00,000
Less: options granted upto 31.03.2010	24,20,800
Balance	5,79,200
Add: options lapsed upto 31.03.2011	14,59,000
Balance	20,38,200
Less: granted during the year 2010-11	12,98,000
Number of options available to be granted	**7,40,200**

2. Intense Employees Stock Option Plan A 2007:

a. Maximum 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 the grant.
c. Vesting schedule is the same as that of Fortune ESOP-2005 mentioned on 1(c) above.
d. As per the plan, options lapsed i.e. unexercised options on account of resignation etc., shall become available for future grants under the existing plan.
e. Variations in terms of Option - NIL
f. Number of options available to be granted: 5,00,000

3. Intense Employees Stock Option Plan B 2007:

Particulars	As on 01.04.2010	2010-11	As on 31.03.2011
Date of Grant	11.12.2007	-	-
Grant Price (Rs.)	84.65	-	84.65
Closing Market Price on Grant Date (Rs.)	84.65	-	84.65
Exercise Price (Rs.)	84.65	-	84.65
No. of Options Granted	8,00,000	-	8,00,000
No. of Options Exercised	Nil	-	Nil
No. of Options Vested	4,00,000	2,00,000	6,00,000
No. of Options Lapsed	-	-	-
No. of Options Outstanding (in force)	8,00,000	-	8,00,000

a. Maximum Number of options approved by the shareholders - 8,00,000
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. Rs.84.65 per share (latest closing price on 10.12.2007 at B.S.E).

c. Vesting schedule is the same as that of Fortune ESOP-2005 mentioned on 1(c) above.

d. As per the plan, options lapsed i.e. unexercised options on account of resignation etc., shall not become available for future grants under the existing plan.

e. Number of options available to be granted- Nil

f. Variations in terms of Option - NIL

g. Employee wise details of options granted to:

- Number of employees holding 5% or more of the total number of options granted during the year: NIL
- Identified employees who were granted options, during one year, equal to or exceeding 1% of issued capital:

Name	No. of options granted
Mr Jayant Dwarkanath	8,00,000

4. Intense Employee Stock Option Plan Scheme A 2009 -

a. Maximum Number of options approved by the shareholders 20,00,000

b. Pricing Formula: Exercise price for the options granted under this plan is Rs. 10/- per share

a. Vesting schedule is the same as that of Fortune ESOP-2005 mentioned on 1(c) above.

b. As per the plan, options lapsed i.e. unexercised options on account of resignation etc., shall become available for future grants under the existing plan.

c. Number of options available to be granted : 20,00,000

f. Variations in terms of Option - NIL

g. During the year 2010-11 no options were granted under the Intense Employee Stock Option Plan Scheme A 2009.

5. Intense Employee Stock Option Plan Scheme B 2009 -

a. The plan covers 8,00,000 options to Mr. Jayant Dwarkanath, Whole Time Director of the Company eligible in accordance with SEBI Guidelines.

b. Maximum Number of options approved by the shareholders 8,00,000

c. Pricing Formula: Exercise price for the options granted under this plan is Rs. 10/- per share

d. Vesting schedule is the same as that of Fortune ESOP-2005 mentioned on 1(c) above.

e. As per the plan, options lapsed i.e. unexercised options on account of resignation etc., shall not become available for future grants under the existing plan.

f. Variations in terms of Option - NIL

g. During the year 2010-11, on 12th February, 2011 8,00,000 options were granted under the Intense Employee Stock Option Plan Scheme B 2009.

For and on behalf of the Board

Place: Secunderabad
Date: 24th August, 2011

C.K.Shastri
Chairman & Managing Director

ANNEXURE – III TO THE DIRCTORS' REPORT:

MANAGEMENT DISCUSSION AND ANALYSIS

1.Industry Structure

Enterprises are realizing that providing enhanced customer experience will result in increased customer loyalty, therefore making investments in this direction is their top priority. Managing customer communications is critical to achieving service differentiation and revenue realization. More so because enterprises that command large customer bases in the telecommunication, insurance, banking, government and utilities sectors are seeing multi-pronged benefits by having business processes aligned and unified to deliver customer delight. Specifically, the trans-promotional multi-channel communication catering to the individual needs of every customer is the need of the hour. The urge to 'go green' brought Green IT to the fore, driven by eStatements, process unification, paperless communications and resource optimization. The customer communications management space (or document output management) has now emerged as a competence that can ensure customer loyalty, employee productivity and shareholder delight.

Enterprise software products catering to customer communications, output management, EBPP and Self-care domains were affordable by large scale enterprises, but need of enhancing customer experience is equally critical for small and medium enterprises as well. Offering our solutions on cloud will open up markets for us. We are looking to partner with providers of the cloud platform as SaaS (Software as a Service) vendor to penetrate the global markets.

2. Enablers of profitability and productivity

The life-blood of any enterprise is its documents that are managed by business processes that are cross-functional or intra-departmental. The transactional data that flows across the business processes runs into terabytes and grows by the day with every new customer instance. The costs of storage and collaboration are hence a great concern for enterprises.

Enterprises are increasingly looking for single solutions that have end-to-end functionality. This helps them to eliminate investments into multiple applications, reduce storage and maintenance costs. On the business front, enterprises are demanding solutions that can leverage the transactional customer facing documents like bills, statements, premium notices, invoices etc, and transform them into rich communication vehicles that promote new products, offers, services, etc. What was earlier a transactional process is today a business requirement that drives revenue and opens new opportunities that cater to customer satisfaction.

Intelligent solutions aimed at leveraging customer-facing documents, managing organizational knowledge and capitalize on customer analytics have come as great enablers of profitability and employee productivity.

Cloud strategy

Cloud is the next logical step in business computing. Time is ripe now to move to cloud computing given its potential to contribute to the following:

1. Greater Business sense

With the ability of the cloud model to provide for on-demand access to critical business information, customers, partners etc from anywhere and at anytime, and the empowerment to respond to business demands effectively, it makes absolute business sense to adopt the cloud computing model.

2. Effective Resource utilization and agility

Minimal management, maintenance & deployment time, greater scalability and flexibility to handle peaks in demand.

3. Handle costs

Flexibility to operate through Opex and Capex models depending on the best fit for a business.

4. Minimal carbon footprints

Given the reduction in load on physical resources to run on-premise systems, there is a tangible decrease in environmental impact.

3. Opportunities

Launch of our solution on the cloud platform:
Our flagship product uniserve™, an enterprise customer communications management platform is cloud-ready. This will enable us to shorten our selling cycles and open up global markets. With our solution on cloud, we are no longer constrained to sell our products only to large scale enterprises. Large, Small and Medium enterprises in telecom, insurance and banking across geographies alike will be opportunities to explore. We have already initiated partnerships with large System integrators like IBM, Infosys and TCS to take our product on their respective cloud platforms. Our solution is offered in SaaS (Software as a Service) model to be hosted on the partner's infrastructure. We will leverage the brand and existing customer base of our partners to promote our solutions.

Launch of uniassure™:
Our latest product offering, a niche product, is called uniassure™. The solution automates the bill auditing function by enabling telecom service providers to effectively comply with regulatory requirements of metering and billing accuracy and also prevent revenue leakage. The solution has been successfully deployed at one of the leading Telecom companies in India and we see a huge potential for this solution in the global markets.

The domain expertise we gained from our implementations in large telecom organizations has led us to identify this critical and niche need for automating a manual and tedious process of performing bill auditing. Despite comprehensive revenue assurance systems in place, dependency on manpower to configure changes to the billing and revenue assurance system allows errors to creep in.

According to a KPMG, "revenue leakage" costs the global communications industry an estimated $40 billion every year – or an average of 1-3 percent of total revenues. Not too surprisingly — KPMG notes that "significant configuration changes in the network" and unskilled revenue assurance teams took the lion's share of the blame.

uniassure™ is an automated billing auditing module that manages risk by preventing future leakage and also establishing the confidence that the overall billing process is functioning properly. uniassure™ ensures metering accuracy by fully automating proforma audit process.

Digital Marketing:

In the emerging scenario of growing competition and lowering margins and ARPU organizations across verticals realize the importance of customer retention. They also understand that building a customer profile based on his dynamic transactions is very critical to enable one-to-one marketing. We have plans to foray into Digital Marketing space catering to the need of communicating the targeted, profile based messages to the customers on real-time. This will have a huge impact on increasing customer loyalty.

This solution is a logical extension of our framework and market research study for gathering its potential in Indian markets is underway.

Green IT

Green IT as a competitive alternative is evolving in areas where it matters most – the business process. Enterprises have successfully debunked the argument that ecological costs and economic goals cannot meet each other. Transaction-intensive processes like customer communications are reaping the most of green IT and delivering the best of customer experiences.

Enterprises in the telecommunication, banking, insurance, government and utilities sectors where customer communications functions consume exorbitant amounts of cash in the form of paper and power, enterprises are disproving the myths associated with green IT.

CIOs of today are demanding solutions that can eliminate their dependency on multiple applications, usher in process unification, and help them evolve an integrated platform for all their customer-facing business processes. This helps optimize on paper, power, storage and printing resources, thus helping to reduce their carbon footprint. Intense's products have been strong movers of the Green IT practices.

4.Risks

The company's growth and operating performance may be affected by several risk factors. Some of the factors, which could affect the company's future results or operations, are outlined below.

Long sales cycle and unexpected and inordinate delays may adversely affect and create variation in quarterly operating results.

The purchase of the Company's products by its end-customers for implementation typically involves significant commitment of financial and other resources and handling of mission-critical data and processes. The sales cycle is therefore long and is subject to unexpected and inordinate delays. The Company has experienced, and continues to, long sales cycles and delays in the purchase process of its customers for reasons beyond its control.

Consequently, there may be significant variation in the quarterly operating results in the future and period-to-period comparisons may not indicate future performance.

The uncertain political and economic climate in India and in the rest of the world may negatively impact buying decisions.

The Government is a significant consumer of the Company's products and services. The uncertain political climate may significantly extend decision making on government related opportunities. The uncertainty prevailing in the Middle East and in the Arab world in general may impose travel restrictions in the immediate term that could render the Company incapable of pursuing opportunites in those markets. Any of these factors may adversely affect the operating results and financial condition of the Company.

Dependence on current and future business partners may not result in revenue growth and could adversely affect the operating results of the Company.

The Company is depending on its current partnerships with Systems Integrators and software vendors for increasing its revenues. The Company is also planning to expand its partnerships with other software vendors. These agreements are for fixed duration and may not be renewed. The agreements do not provide for any guarantee on revenue. Acquisition of the partners or change in their key management personnel may result in change of their focus areas. Moreover, these agreements can be terminated at short notice. If for any reason, the Company is unable to succeed in generating revenues through its current and future partnerships, the operating results of the Company may be adversely affected.

The job market in the Indian IT sector is thriving and the Company faces the threat of significant attrition and inability to attract the best talent.

Future success depends upon the hiring and retaining key talent, many of whom would be difficult to replace and the loss of one or more of these employees could seriously harm the Company's business. The Company's future success depends upon the continued services of its executive officers and key technical, sales, marketing and support personnel, many of whom would be difficult to replace. The loss of one or more of these employees could seriously harm the Company's business. Additionally, because of the highly technical nature of its business, the loss of key technical personnel could delay product upgrades and significantly impair the Company's ability to successfully build future products.

The Company believes that its success depends, in large part, upon its ability to identify, attract and retain qualified software engineers and sales, marketing, finance and managerial personnel. There is competition to attract talented personnel and the Company may not be able to retain its key personnel or identify, or attract or retain other qualified personnel in the future. If the Company does not succeed in hiring and retaining employees with appropriate qualifications, its product development efforts, revenues and business could be seriously harmed.

Software products business is inherent with risks and the Company may incur substantial expenses before it earns associated revenues and may not ultimately sell as many licenses of its products as forecast.

The Company develops software products based on anticipated market and customer requirements and incurs substantial product development expenditures prior to generating associated revenues. Customers extensively evaluate the Company's products before making a purchase decision. The time required for evaluation and approval of the Company's products and solutions can take up to six or more months. Quite often, purchase decisions are deferred or dropped for reasons that have nothing to do with the product quality or value. Because of this lengthy development and sales cycle, the Company will experience delays between the time it incurs expenditures for research and development, sales and marketing and the time it generates revenues, if any, from these expenditures. Additionally, if actual sales volumes for a particular product are substantially less than originally forecast, the operating results would be adversely affected.

Failure of the management to manage growth effectively may adversely affect the Company's ability to increase its business and the result of operation.

The Company will need to make substantial investments in product development, sales and marketing activity to successfully market and sell its products in a rapidly evolving market. The Company continues to increase the scope of its operations domestically and internationally and has increased its headcount substantially. The Company's expected future growth will place significant strain on its management systems and its resources including the financial and managerial controls, reporting systems and procedures.

The Company must also manage multiple relationships with customers, partners, vendors and other third parties. Moreover, there may be unexpected costs. The Company's systems, procedures or controls may not be adequate to support its operations and it may not be able to expand quickly enough to exploit potential market opportunities.

Failure to keep pace with competition may adversely affect the growth prospects of the Company and / or adversely affect its business and the results of operation.

The Company's market is intensely competitive and characterized by rapidly-changing technology and evolving product releases by the competitors. The Company's competition may be able to develop more quickly or adapt faster to new or emerging technologies and changes in customer requirements. Many of the competitors have longer operating histories, larger customer base, greater name recognition and greater financial and other resources. New competitors continue to emerge and there continues to be consolidation among existing competitors, which could create pricing pressures. These factors may adversely affect the company's future growth and operating results.

Failure to protect our software and other proprietary technology rights could materially affect our operating results.

The Company may not be able to prevent misappropriation of its intellectual property rights or the reverse engineering of its solutions. Legal standards and scope of protection in many countries may not provide adequate protection of our proprietary technology/technologies. Consequently, we may not be able to prevent our proprietary technology/technologies from being exploited abroad. Misappropriation of our technology and high costs of policing/protection of our technology could adversely affect our operating results.

Infringement claims by third parties could adversely affect our operating results.

Third parties could claim that our current or future products or technology/technologies infringe their proprietary rights. Any claim of infringement by a third party, even those without merit, could cause us to incur substantial costs defending against the claim, and could distract the management from the Company's business. Third parties may also assert infringement claims against our customers.

These claims may require us to initiate or defend protracted and costly litigation on behalf of our customers, regardless of the merits of these claims. If any of these claims succeed, we may be forced to pay damages on behalf of our customers. We also generally indemnify our customers if our services infringe the proprietary rights of third parties. If anyone asserts a claim against us relating to proprietary technology or information, while we might seek to license their intellectual property, we might not be able to obtain a license on commercially reasonable terms or on any terms.

If the Company overestimates revenues, it may be unable to reduce its expenses to avoid or minimize a negative impact on its results of operations.

The Company's revenues are difficult to forecast and are likely to fluctuate significantly from time to time. The Company bases its operating expense budgets on expected revenue trends. The Company's estimates of sales trends may not correlate with actual revenues in a particular quarter or over a longer period of time. Variations in the rate and timing of conversion of the Company's sales prospects into actual licensing revenues could cause it to plan or budget inaccurately and those variations could adversely affect the Company's financial results. In particular, delays in sales cycles or loss of expected licensing deals would adversely affect the overall level and timing of the Company's revenues and its business, results of operations and financial condition could be harmed. In addition, many of its expenses, such as office and equipment leases and certain personnel costs, are relatively fixed. It may be unable to adjust spending quickly enough to offset any unexpected revenue shortfall. Accordingly, any shortfall in revenue may cause a material variation in operating results in any period.

The prices charged by the Company are based on market prices, which the Company cannot control.

The selling prices charged by the Company are based on market prices. The highly competitive nature of the market for the Company's products as well as international competition could drive down prices for the Company's products, thereby materially affecting its results of operations.

If the Company's products contain any material defects, its revenues may decline.

Software products as complex as those offered by the Company often contain errors or defects, particularly when first introduced, when new versions or enhancements are released and when configured to individual customer's existing computing systems. Despite testing conducted by the Company, if additional defects and errors are found in current versions, new versions or enhancements of its products after commencement of commercial shipment, this could result in the loss of revenues or a delay in market acceptance or an increase in the rate of return of the Company's products. The occurrence of any of these events could materially harm the Company's business, operating results and financial condition.

5.Human Resources

We have also taken into cognizance the fact that people form the biggest component in our cost structure. That said, developing human capital is a key focus area for the Company. Consequently a HR vision has to be in line with the Company's overall vision and business strategy.

Our Company is fully committed to its people and therefore strives to create a work environment that challenges and motivates people to be performance oriented. This has been evidenced in our Company having one of the lowest attrition levels in the industry.

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on code of Governance:

Intense Technologies Limited is committed to optimizing long-term value for its stakeholders. The Company believes that good Corporate Governance is an intrinsic part of its fiduciary responsibility as a responsible citizen and has thereby laid strong emphasis on the transparency of its operations. In this respect, the company has created an accountability matrix that not only follows statutory disclosures and reporting norms but also voluntarily adheres to best international practices. The company is confident that these practices will enable it to establish enduring relationships with all its stakeholders and optimize its growth paradigm. The Company has adopted a code of conduct and business ethics for members of the Board and senior management, who have all affirmed in writing their adherence to the code.

2. Board of Directors

Composition of the Board:

The Board comprises of Eight Directors – Two Executive and Six Non-Executive Directors.

No. of Board Meetings held:

During the financial year 2010-11 the Board of Directors of your company met 10 times on 1st April, 2010, 14th May, 2010, 9th June, 2010, 30th July, 2010, 25th August, 2010, 5th October, 2010, 29th October, 2010, 2nd December 2010, 12th February, 2011 and 18th March, 2011.

Attendance at the Board Meetings and at the last Annual General Meeting:

Name of Director	Designation	No.of Board Meetings Held	No. of Board Meetings Attended	Attendance at the Last AGM (Yes/No)
# C.K.Shastri	C.M.D	10	10	Yes
# Jayant Dwarkanath	E.D	10	10	Yes
$ Tikam Sujan	N.E.D	10	1	No
@ P. Anil Kumar	N.E.D	10	10	Yes
@ V. Sarada Devi	N.E.D	10	*	No
@ P. Pavan Kumar	N.E.D	10	*	No
@ K.S. Shanker Rao	N.E.D	10	5	No
@ V.S. Mallick	N.E.D	10	*	Yes

@ Non-Executive Independent Directors.

Executive and Non-Independent

$ Non-executive and Non-independent

* Leave of absence was granted

Directorships in other companies:

1. C. K. Shastri is a Director in e-JAS Tech Solutions Private Limited and i-trace Nanotech Private Limited.
2. Jayant Dwarkanath is a Director in e-JAS Tech Solutions Private Limited and M/s. i-trace Nanotech Private Limited.
3. P. Anil Kumar is a Director in e-JAS Tech Solutions Private Limited.
4. V.S.Mallick is a Director in Kanha Shanti Vanam, a Section 25 Company based in Hyderabad.

3. Audit Committee

Composition

Chairman: K.S. Shanker Rao

Members: V. Sarada Devi
V.S. Mallick

Terms of reference:

The terms of reference fully conform to the requirements of Section 292A of the Companies Act, 1956 and as specified in Clause 49 of the Listing Agreements with the Stock Exchanges, which *inter alia* include the following:

- Overseeing the company's financial reporting process.
- Recommending appointment and removal of external auditors and fixing of their fees.
- Reviewing with management the quarterly, half-yearly and annual financial results / statements with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements.
- Reviewing the adequacy of the audit and compliance functioning including their policies, procedures, techniques and other regulatory requirements.
- Reviewing the adequacy of internal control systems and significant audit findings.
- Discussions with external auditors regarding nature and scope of audit.

Meetings and Attendance:

The Audit Committee of Directors met five times during the financial year 2010-11 on 14th May, 2010, 9th June, 2010, 30th July, 2010, 29th October, 2010 and 12th February, 2011.

Name of the Member	Meetings held during the year	Meetings attended
K.S Shanker Rao	5	5
V. Sarada Devi	5	*
V.S.Mallick	5	5

* Leave of absence was granted

4. Remuneration / Compensation Committee.

The Remuneration / Compensation Committee comprises of the following Directors:

Name of the Member	Meeting held during the year	Meeting attended
V. Sarada Devi	2	1
V.S. Mallick	2	2
K.S. Shanker Rao	2	1

The Remuneration policy of the Company is summarized as follows:

i) For Managing Director & Whole-time Director:

The total remuneration, subject to shareholders' approval consists of:

1. A fixed component consisting of salary, allowances, perquisites and benefits are in line with the Company's rules for senior managerial personnel.
2. A variable component linked to the performance of the company to the Managing Director & Whole-time Director consisting of commission and special allowances as determined by the Remuneration Committee.

ii) For Non Executive Directors:

Remuneration and sitting fees paid to the Directors' during the financial year 2010-11.

Name of the Director	Category	Remuneration Paid	
		Salary & Perks (Rs.)	Stock Option
C.K.Shastri	Chairman & Managing Director	30,00,000	Nil
Jayant Dwarkanath	Executive Director	30,00,000	17,25,000
Tikam Sujan	Non-Executive Director	Nil	1,25,000
P. Anil Kumar	Non-Executive Director	Nil	Nil
V. Sarada Devi	Non-Executive Director	Nil	Nil
P.Pavan Kumar	Non-Executive Director	Nil	Nil
K.S. Shanker Rao	Non-Executive Director	80,000	Nil
V.S. Mallick	Non-Executive Director	Nil	Nil

5. Share Transfer and Shareholder / Investor Grievance Redressal Committee: Composition, Names of Members and Chairman:

The Committee comprises of V.S.Mallick, Chairman, Jayant Dwarkanath and Tikam Sujan as its members, K.Tejaswi, Company Secretary as secretary to the committee. The Committee meets every fortnight to approve the transfers and to redress the grievances, if any, of the investors.

Number of Investor queries /complaints received during the year 2010-11 were as follows:

S. No	DESCRIPTION	Opening Balance	Received	Disposed	Pending
1	CHANGE/CORRECTION OF ADDRESS	-	1	1	-
2	NON RECEIPT OF DIVIDEND WARRANTS	-	-	-	-
3	NON RECEIPT OF ANNUAL REPORT	-	-	-	-
4	NON RECEIPT OF FRESH/NEW SECURITIES	-	-	-	-
5	CORRESPONDENCE RELATED TO TRANSFER OF SHARES	-	-	-	-
	TOTAL	-	**1**	**1**	-

6. Management Committee: Composition, Names of Members and Chairman:

The Committee comprises of C.K.Shastri, Chairman, Jayant Dwarkanath and V.S. Mallick as its members. The Committee meets as and when required for monitoring and providing strategic direction to the Company's practices towards fulfilling its objectives. The Committee will guide the Company in matters relating to tenders and such other contracts and agreements as required from time to time.

Name of the Member	Meeting Held during the year	Meeting attended
C.K.Shastri	3	3
Jayant Dwarkanath	3	3
V.S.Mallick	3	*

* Leave of absence was granted

7. Annual General Meetings

The last three Annual General Meetings were held as under.

Year	Date	Location	Time
2009-10	30.09.2010	Surana Udyog Auditorium, Fapcci House, Red Hills, Lakdi Ka Pul, Hyderabad –500 004.	10.00 A.M
2008-09	30.09.2009	Belsons Taj Mahal Hotel, 82, Main Guard Road, Behind M.C.H. Swimming Pool, Secunderabad – 500 003.	3.30 P.M
2007-08	30.09.2008	Party Hall, Hotel Swagath, Alluri Trade Centre, Opp. KPHB, Kukatpally, Hyderabad – 500 072.	2.30 P.M

Special resolutions passed in the previous three AGM's were for:

During 2009-10:-

1. Re-appointment of C.K. Shastri as Managing Director of the Company.
2. Re-appointment of Jayant Dwarkanath as Whole-time Director of the Company

During 2008-09:-

1. The issue of 6,00,000 (six lakhs only) equity share warrants convertible into equity share of Rs.10/- each to M/s. Bennett, Coleman & Co. Limited at a price of Rs.30/- per equity share.
2. The change in terms and conditions of appointment of C.K.Shastri as Managing Director of the Company.
3. The change in terms and conditions of appointment of Jayant Dwarkanath as Whole time Director of the Company.
4. Increase in the payment of Director's sitting fees.

During 2007-08

1. The issue of 9,00,000 (nine lakhs only) equity share warrants convertible into equity share of Rs.10/- each to M/s. ISON Infotel Private Limited at a price of Rs.35/- .However no allotment was made.

   No Special Resolution was put through postal ballot in any of the General Meeting so far held by the Company, nor it is proposed in the ensuing AGM.

8. Disclosures

a) **Disclosures on materially significant related party transactions**:

There are no transactions during the year which are materially significant related party transactions, i.e., transactions of the company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large, other than the transactions specifically mentioned in the notes to accounts.

b) Details of Non-compliance by the company, penalties, and stricture imposed on the company by the Stock Exchanges, SEBI or any Statutory Authorities or any matter related to capital markets.

The company has complied with all the requirements of the listing agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to the capital markets during the last three years.

c) Compliance Certificate of the Auditors:

Certificate of the Statutory Auditors has been obtained on the compliance of the conditions of Corporate Governance in terms of Clause 49 of the Listing Agreement with Stock Exchanges and the same is annexed.

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 Clause 49 of the Listing Agreement of the Stock Exchange. Further, the Company has adopted non – mandatory requirement of Clause 49 of the listing agreement, viz., Remuneration Committee of the Board which has been constituted to determine the remuneration package of the Executive Directors.

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

9) Means of Communication:

The quarterly and annual financial results are published in the Business Standard (English) and Andhra Prabha (Telugu). These results are submitted to the Stock Exchanges in accordance with the Listing Agreements and they are also being filed with Corporate Filing and Dissemination System (CFDS) (as per Clause 52 of the Listing agreement).

10) GENERAL SHAREHOLDERS' INFORMATION

1. 21st Annual General Meeting:

The 21st Annual General Meeting of the Company will be held on Friday, the 30th September 2011 at 10.30 A.M. at Surana Udyog Auditorium, FAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad –500 004.

2. Financial Calendar:

The quarterly financial results are published within 45 days from the closure of the quarter.

3. Date of Book Closure	: 30th September 2011
4. Listing on Stock Exchanges:	: The Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Tower, Dalal Street, Fort, Mumbai - 400 001. The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata - 700 001.

The Company confirms that the annual listing fee has been duly paid to both the above Stock Exchanges.

5. **Stock Market Data:**
Stock Code: BSE 532326

Market Price Data : **(Amount in Rs.)**

Month	BSE	
	HIGH	LOW
Apr-10	10.30	7.72
May-10	11.00	8.08
Jun-10	10.89	8.61
Jul-10	9.99	8.00
Aug-10	9.45	7.31
Sep-10	8.90	7.06
Oct-10	10.56	7.45
Nov-10	8.79	6.70
Dec-10	7.69	6.30
Jan-11	7.43	5.11
Feb-11	6.84	4.81
Mar-11	8.40	5.61

6. Registrar and Transfer Agents:

Karvy Computershare Private Limited (KCPL) acts as Registrar and Transfer Agents of the Company. The shareholders are requested to contact KCPL at the following address:

Name and Address : Karvy Computershare Private Limited (KCPL)
Plot No. 17/24,
Next to Image Hospitals,
Vittalrao Nagar, Madhapur,
Hyderabad – 500 081

Phone Number : 91-40-44655000
Fax Number : 91-40-23420814 / 23420857
E-mail : einward.ris@karvy.com
Website : www.karvycomputershare.com

7. Share Transfer System

Share transfers are registered and returned, generally, within a period of 15 days from the date of lodgement, provided the necessary documents are in order.

Share Transfers during the financial year 2010-11:

Transfer period	No. of Transfers	No. of shares	% of Shares
1 to 15 Days	1	100	0.001

International Securities Identification Number: The ISIN Number of the Equity shares of the company is **INE 781A01017.**

8. Outstanding GDR's / ADR's / Warrants or convertible instruments and impact on Equity.

The Company has not issued any GDRs / ADRs/Warrants/Convertible debentures during the year 2010-11.

9. Distribution of Shareholding as on 31st March 2011

	No. of cases		No. of shares		Amount	
Category (Amount)	**Number**	**% of Total**	**Number**	**% of Total**	**In Rs.**	**% of Total**
(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**
1-500	7700	76.18	1342572	7.02	13425720	7.02
501-1000	1003	9.92	861448	4.50	8614480	4.50
1001-2000	572	5.66	892833	4.67	8928330	4.67
2001-3000	235	2.33	606419	3.17	6064190	3.17
3001-4000	110	1.09	395664	2.07	3956640	2.07
4001-5000	121	1.20	578752	3.02	5787520	3.02
5001-10000	178	1.76	1326854	6.93	13268540	6.93
10001 and above	188	1.86	13133340	68.62	131333400	68.62
Total	**10107**	**100.00**	**19137882**	**100.00**	**191378820**	**100.00**

10. Shareholding Pattern as on 31st March 2011.

S.No.	Category	No. of Shares	%
1	Indian Promoters	1637738	8.56
2	Foreign Institutional Investors	500000	2.61
3	Bodies Corporate	4010669	20.96
4	Indian Public	10199447	53.29
5	NRI's / OCB's	2783645	14.55
6	Trusts	1	0
7	Clearing Members	6382	0.03
	Total	**19137882**	**100.00**

11. Dematerialization of Shares and Liquidity as on 31st March 2011.

S.No.	Particulars	No. of Shares	% of Share Capital
1	NSDL	13021278	68.04
2	CDSL	5442463	28.44
3	Physical	674141	3.52
	Total	**19137882**	**100.00**

12. 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.

13. Risk Assessment and Minimization Procedures:

The Company from time to time has been conducting exercises on Risk Management and minimization procedures. This has been need based and being done by internal management.

14. Compliance with Clause 5A of the Listing Agreement

As per Clause 5 A of the Listing Agreement, no particulars were required to be mentioned as none of the shares were in Physical form, issued in public issue, which remains unclaimed.

15. Address for Correspondence:

K. Tejaswi,
Company Secretary
Intense Technologies Limited
A1, Vikrampuri,
Secunderabad- 500009
e-mail id: tejaswi@intense.in

Chief Executive Officer (CEO) and Chief Finance Officer (CFO) Certification

To the Board of Directors' of Intense Technologies Limited

Dear Sirs,

Sub: Chief Executive Officer (CEO) and Chief Finance Officer (CFO) Certification (in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges)

We have reviewed the financial statements and the cash flow statement of Intense Technologies Limited for the year ended March 31, 2011 and that to the best of our knowledge and belief, we state 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 in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(ii) That there were no instances of significant fraud of which we have become aware.

Place: Secunderabad	**C.K. Shastri**	**H.M.Nayak**
Date: 24th August, 2011	**Chairman & Managing Director**	**Head-Finance**

Auditors' Certificate to the Members of Intense Technologies Limited on compliance of the conditions of Corporate Governance for the year ended 31st March, 2011, under Clause 49 of the Listing Agreement with the Stock Exchanges.

We have read the Report of the Board of Directors on Corporate Governance and 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, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was conducted in the manner described in the Guidance Note on Certification of 'Corporate Governance' issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an 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 and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Hyderabad
Date: 24th August, 2011

CA.P.Srinivas
Proprietor
Membership No. 204098

DECLARATION BY THE MANAGING DIRECTOR OF THE COMPANY ON CODE OF CONDUCT

I hereby declare that:

1. The Code of Conduct for the Board Members and Senior Management of the company was approved by the Board of Directors in the Board Meeting and the same was adopted by the Company.

2. The Code of Conduct adopted by the Company was circulated to the members of the Board and Senior Management of the Company and is also posted on the website of the Company.

3. All the members of the Board and Senior Management of the Company have complied with all the provisions of the Code of Conduct.

For and on behalf of the Board

Place: Secunderabad
Date: 24th August, 2011

C.K.Shastri
Chairman & Managing Director

Auditors' Report

To
The Members of Intense Technologies Limited

1. We have audited the attached Balance Sheet of Intense Technologies Limited (the Company) as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:
   i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
   ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
   iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
   v. On the basis of the written representations received from the Directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
   vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
      a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011,
      b) in the case of the profit and loss account, of the loss for the year ended on that date; and
      c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

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

CA.P.Srinivas
Proprietor
Membership No. 204098

Place: Hyderabad
Date: 24th August, 2011

Annexure to Auditors' Report

(Referred to in paragraph 3 of our Report of even date on the accounts of Intense Technologies Limited for the year ended 31st March, 2011)

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we further report as under:

(1) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As per the information and explanations given to us, all the assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) As per the information and explanations given to us, during the year, the Company has not disposed off any substantial part of the fixed assets that would affect the going concern status of the company.

(2) (a) As explained to us, the Company does not hold inventories, hence the provisions of clauses 4 (A) (iii),(iv),(v) and (vi) of the Companies (Auditor's) Report Order, 2003 is not applicable to the Company.

(3) (a) As per the information and records made available, the Company has granted unsecured loans to Company listed in the register maintained under section 301 of the Companies Act, 1956.

(b) As per the information and records made available, the rate of interest and other terms and conditions on unsecured loans granted by the company are prima facie not pre-judicial to the interest of the Company.

(c) & (d) The repayment of the above unsecured loans, including interest is yet to be made.

(e) The Company has not taken any loan from companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year. The provisions of clause (iii) (f), and (g) of the Companies (Auditor's) Report Order, 2003 is not applicable to the Company.

(4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchases of fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.

(5) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

(6) As per the information and explanations given to us, the company has not accepted deposits from public and hence directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable for the year under audit.

(7) The Company has outside internal audit system commensurate with its size and nature of its business.

(8) The Central Government has not prescribed the maintenance of cost records by this Company under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

(9) (a) According to the records of the Company, the Company has been regular in depositing, with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no such statutory dues, which have not been deposited on account of any dispute except in case of Sales Tax (CST) where an appeal was made against demand of Rs.6,04,859/-

(10) The accumulated losses of the company are more than fifty percent of its net worth and have incurred cash losses of Rs.115.89 lakhs during the financial year covered by our audit and incurred a cash loss of Rs. 439.93 lakhs in the immediately preceding financial year.

(11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

(12) As per the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares.

(13) In our opinion, the company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(14) As per the records maintained, the company does not deal or trade in shares, securities, debentures and other investments.

(15) In our opinion and according to the information and explanations given to us by the management, the company has not given any guarantees for loans taken by others from banks or financial institutions.

(16) The Company has not raised any term loans during the year.

(17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, the Company has not raised any short term/ long term funds during the financial year.

(18) As per the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act,1956.

(19) The Company has not issued any debentures and hence clause (XIX) of the Companies (Auditor's) Report Order, 2003 is not applicable to the Company.

(20) During the year covered by our report the Company has not raised any money by way of public issue.

(21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

Place: Hyderabad
Date: 24th August, 2011

CA.P.Srinivas
Proprietor
Membership No. 204098

Balance Sheet as at 31st March 2011

			(Rupees)
	Schedule	As at 31.03.2011	As at 31.03.2010
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	191,378,820	186,378,820
Share Application Money		4,500,000	10,800,000
Reserves & Surplus	2	136,854,733	173,705,424
		332,733,553	**370,884,244**
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	3	166,146,687	162,550,792
Less: Depreciation		129,727,310	108,873,345
Net Block		**36,419,377**	**53,677,447**
INVESTMENTS	4	**37,343**	**37,343**
CURRENT ASSETS, LOANS & ADVANCES	5		
Sundry Debtors		100,637,223	83,764,330
Cash & Bank Balances		146,338,776	191,700,854
Loans & Advances		66,388,133	46,810,074
		313,364,132	**322,275,258**
LESS:CURRENT LIABILITIES & PROVISIONS	6		
Current Liabilities		11,761,672	2,513,774
Provisions		29,247,549	27,268,090
		41,009,221	**29,781,864**
NET CURRENT ASSETS		**272,354,911**	**292,493,394**
MISC.EXPENDITURE	7	4,905,346	7,319,110
(To the extent not written off or adjusted)			
DEFERRED TAX ASSET		19,016,576	17,356,950
		332,733,553	**370,884,244**
Significant Accounting Policies & Notes to Accounts	**8**		

Schedules form an integral part of Accounts
As per our Report of even date

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

For and on behalf of the Board

CA.P.Srinivas
Proprietor
Membership No.204098
Place: Secunderabad
Date : 24th August,2011

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

K.Tejaswi
Company Secretary

Profit & Loss Account for the period ended 31st March 2011

	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
			(Rupees)
INCOME			
Revenue from Operations		145,776,460	99,816,830
Other Income	**9**	9,656,221	13,682,884
		155,432,681	**113,499,714**
EXPENDITURE			
Operating Expenses	**10**	4,263,385	4,157,590
Personnel	**11**	114,583,451	115,995,968
Administrative & Marketing Expenses	**12**	47,847,446	36,896,649
Financial Charges	**13**	327,717	442,899
		167,021,999	**157,493,106**
Profit/(Loss) Before Depreciation/Amortisation and Exceptional Items		(11,589,318)	(43,993,392)
Misc Exp written off		645,703	645,703
Depreciation and amortization		20,853,965	23,900,475
Profit/(Loss) before Tax		(33,088,986)	(68,539,570)
Exceptional Item		-	4,890,225
Provision for Taxes			
i.Deferred Tax		1,659,626	3,362,366
Profit/(Loss) after Tax		(31,429,360)	(70,067,429)
Prior Period Adjustments		149,154	(1,202,134)
Balance Carried forward		**(31,280,206)**	**(71,269,563)**
Basic EPS		**(1.73)**	**(3.68)**
Diluted EPS		**(1.65)**	**(3.15)**

Schedules form an integral part of Accounts
As per our Report of even date

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

For and on behalf of the Board

CA.P.Srinivas
Proprietor
Membership No.204098
Place: Secunderabad
Date : 24th August,2011

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

K.Tejaswi
Company Secretary

Schedule forming part of Balance Sheet

		As at 31.03.2011	As at 31.03.2010
			(Rupees)
1	**SHARE CAPITAL**		
	AUTHORISED CAPITAL		
	50,000,000 Equity Shares of Rs. 10/- each	500,000,000	500,000,000
		500,000,000	**500,000,000**
	ISSUED,SUBSCRIBED AND PAID UP		
	19,137,882 Equity Shares of Rs. 10/- each (Previous year 18,637,882 Equity Shares of Rs. 10/- each)	191,378,820	186,378,820
		191,378,820	**186,378,820**
2	**RESERVES & SURPLUS**		
	Share Premium	406,019,259	405,019,259
	Warrants Forfeiture	16,302,500	13,902,500
	Employee Stock Options Outstanding	7,548,270	16,518,755
	Debit Balance in Profit & Loss Account	(293,015,296)	(261,735,090)
		136,854,733	**173,705,424**

Schedule forming part of Balance Sheet
3.FIXED ASSETS

(Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2010	Additions	Deletions	Total 31.03.2011	As at 01.04.2010	Additions	Deletions	Total 31.03.2011	As at 31.03.2011	As at 31.3.2010
Buildings	15,725,463	-	-	15,725,463	6,440,639	464,241	-	6,904,880	8,820,583	9,284,824
Computers & Software	70,861,134	1,124,827	-	71,985,961	49,331,322	8,881,355	-	58,212,677	13,773,284	21,529,812
Furniture & Fixtures	17,822,546	386,554	-	18,209,100	9,893,393	1,443,179	-	11,336,572	6,872,528	7,929,153
Office Equipment	11,066,179	2,084,514	-	13,150,693	6,112,896	836,364	-	6,949,260	6,201,433	4,953,283
Vehicle	2,244,090	-	-	2,244,090	1,229,991	262,550	-	1, 492,541	751,549	1,014,099
INTANGIBLE ASSET Computer Software *	44,831,380	-	-	44,831,380	35,865,104	8,966,276	-	44,831,380	-	8,966,276
	162,550,792	**3,595,895**	**-**	**166,146,687**	**108,873,345**	**20,853,965**	**-**	**129,727,310**	**36,419,377**	**53,677,447**
Previous Year	**144,226,157**	**20,390,237**	**2,065,602**	**162,550,792**	**86,833,949**	**23,900,475**	**1,861,079**	**108,873,345**	**53,677,447**	**57,392,208**

*Note: Carrying value of computer software represents, the development cost of company's products viz, WebBiz, ReportSuite 4.5, eDoc and eTaxFile, the same has been amortized over a period of 5 years.

Schedule forming part of Balance Sheet

		As at 31.03.2011	As at 31.03.2010
			(Rupees)
4	**INVESTMENTS**		
	Investments- Quoted	37,343	37,343
		37,343	**37,343**
5	**CURRENT ASSETS LOANS & ADVANCES**		
	CURRENT ASSETS		
	Sundry Debtors (Considered good)		
	Due for more than six months	50,595,153	65,707,805
	Others	50,042,070	18,056,525
		100,637,223	**83,764,330**
	Cash & Bank Balances		
	Cash in hand	266,083	108,733
	Cash at Banks		
	In Current Accounts with		
	HDFC Bank Ltd	6,435,663	1,292,790
	ICICI Bank Ltd	368,809	1,280,332
	HDFC Bank -Pref.Issue A/c	1,283,559	314,840
	Citi Bank - Singapore Br	930,854	1,541,668
	State Bank of Hyderabad -Branch Accounts	19,368,075	6,751,765
	In Fixed Deposits with		
	State Bank of Hyderabad/HDFC	117,685,733	180,410,726
		146,338,776	**191,700,854**
	Loans & Advances		
	Staff Advances	492,158	234,207
	Other Advances	62,119,888	41,807,968
	Deposits		
	EMDs	735,758	1,783,558
	Others	3,040,329	2,984,341
		66,388,133	**46,810,074**
6	**CURRENT LIABILITIES & PROVISIONS**		
	Current Liabilities		
	Sundry Creditors	11,059,889	1,831,991
	Advances from Customers	701,783	681,783
		11,761,672	**2,513,774**
	Provisions		
	Provision for expenses	20,357,263	21,536,090
	Provision for Gratuity	8,890,286	5,732,000
		29,247,549	**27,268,090**
7	**MISC. EXPENDITURE**		
	i) Preliminary & Public Issue Expenses	4,519,929	5,165,632
	Less: written off	645,703	645,703
	Sub-total (a)	**3,874,226**	**4,519,929**
	ii)Deferred Employee Compensation Expense	1,031,120	2,799,181
	Sub-total (b)	**1,031,120**	**2,799,181**
	Total (a) + (b)	**4,905,346**	**7,319,110**

Schedule forming part of Profit & Loss Account

		Year Ended 31.03.2011	Year Ended 31.03.2010
			(Rupees)
9	**OTHER INCOME**		
	Dividend	927	540
	Interest	9,644,567	13,682,344
	Misc.Receipts	10,727	-
		9,656,221	**13,682,884**
10	**OPERATING EXPENSES**		
	AMC Charges	647,087	475,475
	Consumables	151,259	325,746
	Electricity Charges	2,361,598	2,465,886
	Repairs & Maintenance	1,103,441	890,483
		4,263,385	**4,157,590**
11	**PERSONNEL**		
	Salaries	112,960,884	107,767,195
	Employee Compensation Expense	(7,178,297)	2,918,543
	Actuarial Loss	2,919,516	596,901
	Gratuity	1,514,001	1,027,553
	Staff Welfare	4,367,347	3,685,776
		114,583,451	**115,995,968**

Schedule forming part of Profit & Loss Account

	Year Ended 31.03.2011	Year Ended 31.03.2010
		(Rupees)
12 ADMINISTRATIVE & MARKETING EXPENSES		
Advertisement	478,020	112,615
AGM Expenses	258,471	300,606
Audit fees		
Statutory Audit Fees	300,000	250,000
Singapore Branch Audit Fees	84,500	67,000
Bad debts written off	-	7,708
Books, Periodicals& News Papers	54,515	13,913
Business Promotion	390,929	1,946,184
Commission & Brokerage	142,723	69,000
Directors Remuneration	6,080,000	6,040,000
EGM Expenses	-	98,374
Loss on Sale of Fixed Assets	-	100,170
General charges	178,206	66,390
Housekeeping Expenses	427,353	513,020
Insurance	125,334	196,022
Office Maintenance	415,133	487,892
Courier and Postage	104,488	133,741
Printing & Stationery	418,454	389,152
Professional Charges	2,756,186	3,532,693
Rates & Taxes	1,852,623	1,636,094
Rent	5,668,536	5,661,865
Scanning charges	14,892,862	1,485,458
Security Services	144,000	144,000
Seminar & Training Charges	46,719	502,703
Telephones	3,384,653	3,359,864
Travelling Expenses	9,618,868	9,752,340
Vehicle Insurance	24,873	29,845
	47,847,446	**36,896,649**
13 Financial Charges		
Bank Charges & Commission	228,142	297,869
Interest on Vehicle Loan	99,575	145,030
	327,717	**442,899**

8.SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Concepts:

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

2. Revenue Recognition:

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

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 digitisation is identified when the specific milestone is achieved and invoice is raised.

3. Expenditure:

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

4. Fixed Assets:

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

5. Depreciation:

Depreciation on fixed assets is provided on Written Down Value method on a pro rata basis at the rates specified in Schedule XIV of the Companies Act, 1956.

6. Product Development and Research:

Initial Expenditure incurred on Research and Development of products, promotional expenditure of new products and existing products have been capitalized.

7. Foreign Currency Transactions:

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

8. Investments:

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

9. Income tax:

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

10. Sundry Debtors, Loans & Advances:

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

11. Prior Period Expenses/Income:

Prior period items, if material are separately disclosed in Profit & Loss Account together with the nature and amount.

12.Earning Per Share

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

13. Employee Benefits:

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

14. Employee Stock Option Scheme:

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

15. Sales:

Sale of product is exclusive of sales/service tax.

16. Borrowing Cost:

Borrowing Cost on qualifying asset is considered for capitalization when the expenditure on qualifying asset and borrowing cost are incurred. The company had not acquired any assets against borrowings in the year and hence it is not applicable in the year.

17. Segment Reporting:

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

NOTES ON ACCOUNTS:

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

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

3. Quantitative Details:

Additional information pursuant to the provisions of paragraphs 3,4C and 4D of Part II of Schedule VI of the Companies Act, 1956.

The Company is engaged in development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act,1956.

	2010-2011	2009-2010
	Rs.	Rs.
Contingent Liabilities:		
Counter Guarantees given to Banks towards issue of B.G.s	**4,807,269**	3,486,400
Outstanding Bank Guarantees	**4,807,269**	3,486,400
Managerial Remuneration:		
Managing & Whole time Directors	**6,080,000**	6,040,000
Imports on CIF basis:		
Hardware/Software	**-**	12,837,877
Expenditure in Foreign Currency:		
Travel Expenses	**1,012,072**	477,060
Other Expenditure incurred	**2,863,654**	810,957
Transferred for Singapore Branch Expenses	**5,764,145**	7,907,599

4. Segment Reporting:

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

Name of the Country	Turnover (Rs.in Lakhs)
Fiji Islands	135.19
Indonesia	20.25
Kenya	7.17
Sri Lanka	9.57
UAE	0.19
USA	22.76
Total	**195.13**

5. Prior Period Items

Major items includes an amount of Rs.1.49 lakhs interest on TDS received for the Assessment Year 2006-07.

6. Earning Per Share

	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
A. Numerator for earning per share	**(33,088,986)**	(68,539,570)
B. Denominator for basic earning per share	**19,137,882**	18,637,882
C. Denominator for diluted earning per share	**19,995,882**	21,731,618
D. Basic earning per share (A/B)	**(1.73)**	(3.68)
E. Diluted earning per share (A/C)	**(1.65)**	(3.15)

7. Deferred Tax Assets/Liabilities:

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

8. Impairment of Fixed Assets:

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

9. Overseas Branch Accounts & Audit:

We have considered the Auditors' Report dated 5th August 2011 of Sashi Kala Devi Associates, Singapore, Auditors of Singapore Branch in framing our audit report.

10. Working Capital Facility:

Working capital facility from Bank is secured by way of hypothecation/mortgage/pledge of receivables and company's building.

11. Dues to Micro, Small and Medium Enterprises:

The Classification of the suppliers under Micro, Small and Medium Enterprises Development Act, 2006 is made based on the submission of the registration certificate under the said Act by the suppliers. The outstanding to the Micro, Small and Medium Enterprises more than 16 days during the period is Nil.

12. During the year an amount of Rs. 24.00 lakhs, pertaining to equity warrant application money was refunded to NRI Director for non-receipt of FIPB approval.

13. Amounts paid/payable to Auditors:

	2010-11 (Rupees)	**2009-10** (Rupees)
Statutory Audit Fee	5,00,000	2,50,000
Tax Audit Fees	50,000	25,000
Certification	60,000	1,20,000
Branch Auditors	84,500	67,000

14. Related Party Disclosures:

A). Key Managerial Personnel
(i) C.K.Shastri, Chairman and Managing Director
(ii) Jayant Dwarkanath, Wholetime Director

B) Enterprises in which Key Managerial Personnel 14(A) above has significant influence:
(i) eJAS Tech Solutions Pvt.Ltd
(ii) i-Trace Nanotech Pvt.Ltd

Transaction with related parties

	eJAS Tech Solutions Pvt. Ltd. Rs.
a) Sale of etaxfile & Services	14,08,992
b) Debit Balance as on 31.03.2011	78,10,582

15. Remuneration to Management Personnel:	**Rs.**	**Rs.**
(i) C.K.Shastri – Chairman & Managing Director	30,00,000/-	
(ii) Jayant Dwarkanath – Wholetime Director	30,00,000/-	
(iii) K.S.Shanker Rao- Director	80,000/-	
		60,80,000/-

16. Employees Benefits:

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

(Amount in Rs.)

Particulars	**2010-11**	**2009-10**
Employer’s contribution to Provident Fund	1,83,258	1,08,068
Employer’s contribution to Pension Fund	4,15,988	2,45,305
Total	**5,99,246**	**3,53,373**

17. ESOP’s granted to Management Personnel :

(i) Jayant Dwarkanath - 17,25,000 stock options.

18.Gratuity Report under AS-15 (rev) as on 31.03.2011

THE PRESENT VALUE OF OBLIGATION IS DETERMINED BASED ON ACTUARIAL VALUATION USING PROJECTED UNIT CREDIT METHOD, WHICH RECOGNIZES EACH PERIOD OF SERVICE AS GIVING RISE TO ADDITIONAL UNIT OF EMPLOYEE BENEFIT ENTITLEMENT AND MEASURES EACH UNIT SEPARATELY TO BUILD UP THE FINAL OBLIGATION.
Gratuity Report under AS-15 (rev) for the year ended 31st March 2011

1	**Table Showing the changes in present value of obligations as on 31/03/2011**		
			(Rupees)
	a	Present value of obligations at the beginning of the year	5,732,000
	b	Interest cost	458,560
	c	Current service cost	1,055,441
	d	Benefits paid-Actuals	1,275,231
	e	Expected liability at the year end	5,970,770
	f	Present value of obligations at the end of the year	8,890,286
	g	Actuarial Loss	2,919,516
2	**Changes in fair value of Assets**		
	a	Fair Value of Assets at the beginning of the year	1,603,691
	b	Expected return on plan assets	322,036
	c	Contributions	3,306,516
	d	Benefits paid	1,275,231
	e	Actuarial gain/loss on plan assets	Nil
	f	Fair Value of Assets at the end of the year	3,957,012
3	**Table showing fair value of plan assets**		
	a	Fair value of plan assets at the beginning of the year	1,603,691
	b	Actual return on plan assets	322,036
	c	Contributions	3,306,516
	d	Benefits paid	1,275,231
	e	Fair value of plan assets at the end of the year	3,957,012
	f	Funded Status	(4,933,274)
	g.	excess of Actual over estimated return on plan assets	Nil
4	**Actuarial Loss or Gain recognised**		**31-03-2011**
	a	Actuarial Loss for the year-Obligation	2,919,516
	b	Actuarial Loss for the year-plan assets	-
	c	Total Loss for the year	2,919,516
	d	Actuarial Loss recognised	2,919,516
5	**Amounts to be recognised in the balance sheet and statements of P&L**		
	a.	PV of obligations as at the end of the year	8,890,286
	b	Fair Value of Assets at the end of the year	3,957,012
	c	Funded Status	(4,933,274)
	d	Net liability / Asset recognised in balance sheet	(4,933,274)
6	**Expenses Recognised in statement of P&L**		
	a	Current Service Cost	1,055,441
	b	Interest Cost	458,560
	c	Expected return on plan assets	322,036
	d	Net Actuarial gain / Loss recognised in the year	2,919,516
	e	Expesnes recognised in statement of Profit & Loss	4,111,481
7	**Valuation Method**		Projected Unit Credit Method
8	**Actuarial Assumptions**		
		Mortality Rate	LIC (1994-96) ultimate
		Withdrawal Rate	1% to 3% depending age
		Discount Rate	8% p.a.
		Salary Escalation	4% p.a.

Cash Flow Statement for the year ended 31st March, 2011

		2010-11 Rs.	2009-10 Rs.
A	**Cash Flow from Operating Activities**		
	Net Profit/(Loss) before tax	(33,088,986)	(68,539,570)
	Adjustment for:		
	Depreciation	20,853,965	23,900,475
	Miscellaneous Expenses written off	645,703	645,703
	Other Income	(9,656,221)	(13,682,884)
	Operating Profit/(Loss) before working capital changes	**(21,245,539)**	**(57,676,276)**
	Adjustment for:		
	(Increase)/Decrease in Trade Receivables	(16,872,893)	76,510,419
	(Increase)/Decrease in Other Current Assets	(19,578,059)	(16,507,418)
	Increase/(Decrease) in Current Liabilities	9,247,898	(568,175)
	Increase/(Decrease) in Other Liabilities	1,979,459	8,958,978
	Cash generated from Operations	**(46,469,134)**	**10,717,528**
	Exceptional Items	-	(4,890,225)
	Prior Period Items	149,154	(1,202,134)
	Net Cash Flow from Operating Activities	**(46,319,980)**	**4,625,169**
B	**Cash Flow from investing Activities**		
	(Increase)/Decrease in Fixed Assets	(3,595,895)	(20,185,714)
	(Increase)/Decrease in Misc.& QIP Expenditure	(7,202,424)	2,918,543
	Other Income Received	9,656,221	13,682,884
		(1,142,098)	**(3,584,287)**
C	**Cash Flow from Financing Activities**		
	Increase/(Decrease) in Share Capital	5,000,000	-
	Increase/(Decrease) in Warrants Forfeiture	2,400,000	13,902,500
	Increase/(Decrease) in Share Application Money	(6,300,000)	(3,102,500)
	Increase/(Decrease) in Share Premium	1,000,000	-
	Net cash generated from Financing Activities	**2,100,000**	**10,800,000**
	Cash & Cash equivalents utilised (A+B+C)	(45,362,078)	11,840,882
	Cash & Cash equivalents (Opening Balance)	191,700,854	179,859,972
	Cash & Cash equivalents (Closing Balance)	146,338,776	191,700,854

Schedules form an integral part of Accounts
As per our Report of even date

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

For and on behalf of the Board

CA.P.Srinivas
Proprietor
Membership No.204098
Place: Secunderabad
Date : 24th August,2011

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

K.Tejaswi
Company Secretary

AUDITORS' CERTIFICATE

We have certified the above statement of Intense Technologies Limited derived from the audited annual financial statements for the period ended 31st March,2011 and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement with the Stock Exchanges

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

CA.P.Srinivas
Proprietor
Membership No.204098

Place: Secunderabad
Date : 24th August, 2011.

Balance Sheet Abstract and Company's General Business Profile
(Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956)

I. Registration Details:

Registration No.: L30007AP1990PLC011510	State Code : 01
Balance Sheet Date : 31.3.2011	

II. Capital raised during the: Year (Rs.in Lakhs)

Public Issue : Nil	Rights/Pref. : 50.00
Bonus Issue : Nil	Private Placement : Nil

III. Position of Mobilisation & Deployment of Funds (Rs.in Lakhs)

Total Liabilities : 3327.33	Total Assets : 3327.33
Source of Funds	Application of Funds
Paid-up Capital : 1913.79	Net Fixed Assets : 364.19
Reserves & Surplus : 1368.54	Investments : 0.37
Secured Loans : Nil	Net Current Assets : 2723.55
Share Appln Money : 45.00	Misc. Expenditure : 49.05
	Deferred Tax Asset : 190.17

IV. Performance of Company (Rs.in Lakhs)

Turnover : 1554.33	Total Expenditure : 1885.22
Profit/Loss before Tax : (330.89)	Def. Tax/Provision for Tas : 16.60
Exceptional Items : Nil	Profit/Loss after Tax : (314.29)
Earnings Per Share in Rs. (1.73)	Dividend Rate : Nil

V. Generic Name of Principal Product/Service of Company

Item Code (ITC Code) : 85249009.10
Product Description : Design & Development of Software

Schedules form an integral part of Accounts
As per our Report of even date

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

For and on behalf of the Board

CA.P.Srinivas
Proprietor
Membership No.204098
Place: Secunderabad
Date : 24th August,2011

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

K.Tejaswi
Company Secretary

Intense Technologies Limited
Registered Office: A1, Vikrampuri, Secunderabad – 500 009

ATTENDANCE SLIP

Mr./Ms.......................................
....
....

Day	Friday
Date	September 30, 2011
Time	10.30 a.m.
Venue	Surana Udyog Auditorium, FAPCCI House, Red Hills,Lakdi-Ka-Pul, Hyderabad – 500004

MEMBER ☐ PROXY ☐

(Please tick as applicable)

No.of Shares

Folio No.

Demat Particulars
DP ID No. :
Client ID No. :

Note :
1. Only Members of the Company or their Proxies will be allowed to attend the Meeting ON PRODUCTION OF ATTENDANCE SLIP duly completed and signed.
2. Members are requested to bring their copies of Annual Report with them.
3. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company

....
Signature of the Member or Proxy

Intense Technologies Limited
Registered Office: A1, Vikrampuri, Secunderabad – 500 009

FORM OF PROXY

Folio No. :

No.of Shares:

Demat Particulars
DP ID No. :
Client ID No. :

I/We, ____ of
(Name of Member)
____
(Address)
being Member (s) of Intense Technologies Limited, hereby appoint ____________________ of
(Name of Proxy)
____ or failing
(Address of Proxy)
him/her____
(Name of alternate Proxy)
of ____
(Address of alternate Proxy)
as my/our proxy to vote for me / us and on my / our behalf at the 21st ANNUAL GENERAL MEETING of the Company, to be held on Friday, the 30th day of September, 2011 at 10.30 A.M. or at any adjournment thereof.

Date ………………… Signature of the Shareholder/ First named shareholder

Note: A Proxy need not be a member. The Proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.