Board of Directors

Chairman & Managing Director	:	Mr. C.K.Shastri
Whole time Director	:	Mr. Jayant Dwarkanath
Director	:	Mr. Tikam Sujan
Director	:	Mr. P. Anil Kumar
Director	:	Mrs. V. Sarada Devi
Director	:	Mr. P. Pavan Kumar
Director	:	Mr. K. S. Shanker Rao
Director	:	Mr. V.S. Mallick
Director	:	Mr. Jagannadha Chidhella (up to30.09.2009)
Director	:	Dr. Krishna Sharma (up to 30.09.2009)
Company Secretary	:	Ms. K. Tejaswi
Auditors	:	M/s. 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 Pvt. Ltd. Plot No. 17/24, Next to Image Hospitals, Vittalrao Nagar, Madhapur, Hyderabad – 500 081

Contents

20TH ANNUAL GENERAL MEETING

on Thursday, the 30th day of September, 2010, at 10.00 A.M. at Surana Udyog Auditorium,
FAPCCI House, Red Hills, Lakdi Ka Pul,
Hyderabad – 500 004.

NOTICE

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of the Members of the Intense Technologies Limited will be held on Thursday, the 30th September 2010 at 10.00 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, 2010 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 Mrs. V. Sarada Devi, who retires by rotation and being eligible, offers herself for re-appointment.

3. To appoint a Director in place of Mr. P. Pavan Kumar, 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. Re – appointment of Mr. C.K.Shastri as Managing Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution:**
"**RESOLVED THAT** in supercession of the resolution passed by the members in the Nineteenth Annual General Meeting held on 30th September, 2009 and pursuant to the provisions of Sections 198, 269, 309,310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Act and subject to the approval of the Central Government, if so required, the Company hereby approves to the following terms and conditions of re-appointment including the remuneration of Mr. C.K.Shastri, as Managing Director of the Company for a period of 3 years with effect from 1st July 2010 to 30th June,2013.

a. Salary Rs. 2,50,000/- (All inclusive) per month
b. Commission @ 5% on the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956 in addition to salary, perquisites and benefits.
c. Club fees (Maximum of two clubs)
d. Leave Travel Concession
e. Insurance coverage for self and family

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any, financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof, as may, for the time being, be in force."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. Re – appointment of Mr. Jayant Dwarkanath as Whole-time Director of the Company:

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

"**RESOLVED THAT** in supercession of the resolution passed by the members in the Nineteenth Annual

General Meeting held on 30th September, 2009 and pursuant to the provisions of Sections 198, 269, 309,310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Act and subject to the approval of the Central Government, if so required, the Company hereby approves to the following terms and conditions of re-appointment including the remuneration of Mr. Jayant Dwarkanath, as Whole-time Director of the Company for a period of 3 years with effect from 1st July 2010 to 30th June,2013.

a. Salary Rs. 2,50,000/- (All inclusive) p.m.
b. Commission @ 5% on the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956 in addition to salary, perquisites and benefits.
c. Club fees (Maximum of two clubs)
d. Leave Travel Concession
e. Insurance coverage for self and family

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any, financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof, as may, for the time being, be in force."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

For and on behalf of the Board

Place: Secunderabad
Date: 25th August 2010

C.K. Shastri
Chairman &
Managing Director

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 2010.

3. The Explanatory Statement in respect of item nos. 5 & 6 is annexed hereto.

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

Mrs. V. Sarada Devi – Director

Mrs. V. Sarada Devi is a Post Graduate and LLB. She is a practicing lawyer with deep interest in social welfare and philanthropic activities. She has been associated with various NGO's like Bharat Vikas Parishad and National Institute for the Blind.

Mr. P. Pavan Kumar - Director

Mr. Pavan Kumar Pulavarty is a Management Graduate, C.P.A, and an A.C.A having experience of more than 20 years in Financial Management, Accounting, Financial Systems and Information Technology Management. Presently, he is associated with Accenture, USA as an Enterprise-wide Financial Systems Consultant since 2005.

Mr. C.K. Shastri – Chairman and Managing Director

Mr. C.K. Shastri holds a Bachelor’s Degree in Commerce & P.G. Diploma in Marketing. He has over 29 years of Business Experience including 13 years in I.T. Industry. He is currently the Chairman and Managing Director of the Company and looks after the day-to-day operations of the Company and is ably assisted by a team of dedicated professionals.

Mr. Jayant Dwarkanath – Whole Time Director

Mr. Jayant Dwarkanath holds Bachelor’s Degree in Engineering and Master’s Degree in Business Administration. He has over 23 years of experience in Banking and I.T. industry. He is currently the Whole Time Director of the Company and looks after the day-to-day operations of the Company.

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

Item No. 5 & 6:

Mr. C.K. Shastri, having 29 years of Business experience including 13 years in I.T industry was re-appointed as Managing Director of the Company.

Mr. Jayant Dwarkanath, having 23 years of experience in Banking and I.T industry was re-appointed as Whole-Time Director of the Company.

At the Annual General meeting of the Company held on 30th September, 2009 the Members had approved for the change in the terms and conditions of appointment of Mr. C.K. Shastri as the Managing Director and Mr. Jayant Dwarkanath as the Whole-Time Director of the Company for the remainder of the tenure from 1st October, 2009 to 30th June 2010 with a salary of up to a maximum of Rs 2,50,000/- per month (with an authority to the Board or a Committee thereof to fix the salary within the said maximum amount from time to time), together with such commission, perquisites and allowances as specified in the Explanatory statement annexed to the Notice of the Annual General meeting.

The Board of Directors recommends for the re-appointment of Mr. C.K. Shastri as Managing Director and Mr. Jayant Dwarkanath as the Whole-Time Director of the Company w.e.f 1st July, 2010 as detailed in the resolution.

The draft agreement between the Company and Mr. C.K. Shastri and the Company and Mr. Jayant Dwarkanath is available for inspection at the registered office of the Company between 11.00 A.M. and 1.00 P.M. on any working day of the Company.

The Board commends acceptance of the resolution(s) set out in Item No 5 & 6 of the convening Notice. None of the Directors other than Mr. C.K. Shastri and Mr. Jayant Dwarkanath, are in any way concerned or interested in the resolutions.

I. GENERAL INFORMATION:

1 Nature of Industry : Information Technology / Software Product Development.

2 Date of commencement of commercial production : Existing company having its software development operations since 1999.

3 Financial Performance

(Rs. in lakhs)

	2007-08	2008-09	2009-10
Gross Revenue	843.84	1918.93	1135.00
Total Expenditure	1749.10	1867.50	1815.96
Financial Expenses	10.56	3.79	4.43
Operating Profit/(Loss)	(915.82)	47.64	(685.39)

4 Export Performance

(Rs. in lakhs)

	2007-08	2008-09	2009-10
FOB value of exports	4.65	105.98	46.39

II. INFORMATION ABOUT THE APPOINTEE:

Name of the Director	Mr. C.K.Shastri	Mr. Jayant Dwarkanath
Date of Birth	December 31, 1958	September 6, 1964
Date of appointment	1st July, 2007	1st July, 2007
Experience	29 years of Business Experience including 13 years in I.T. Industry	23 years of Experience in Banking and I.T. Industry
Qualifications	B.Com & P.G. Diploma in Marketing	B.E and M.B.A
Past Remuneration	Rs. 2.50 lakhs	Rs. 2.50 lakhs
Job Profile	He is the main Promoter, Chairman and Managing Director of the Company and has been instrumental in building the Company.	He is the Whole-Time Director of the Company and he looks after the international business operations of the Company and he has been instrumental in marketing tie-ups with global majors.
Remuneration proposed	Rs. 2.50 lakhs	Rs. 2.50 lakhs

Presently remuneration in Information Technology / Software Products Company are attracting very high remuneration package as compared to other industries. Further the compensation package approved for the Chairman and Managing Director and the Whole-Time Director of the Company are much lower as compared to remuneration paid in similar industry. In view of the contribution and time devoted by them it is essential that they be remunerated suitably.

III. OTHER INFORMATION:

1. Reasons for inadequacy of Profits:

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

The global economy has also been facing a downturn. Recession in the U.S. has affected the Indian IT industry, consequently these factors have also had a negative effect on the top line of the company.

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

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

The Company has established a strong reference base of customers both in the domestic and international markets for its key products. The products have also been upgraded regularly to benchmark them against the best in the world. The company is now confident of investing more resources in marketing its flagship product UniServe (ReportSuite renamed), in the global markets. The sales cycles are expected to be shorter and the per unit realizations from licensing of products is expected to increase substantially over the coming years.

3. Expected increase in productivity and profits:

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

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

IV. DISCLOSURES:

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

For and on behalf of the Board

Place: Secunderabad
Date: 25th August 2010

C.K. Shastri
Chairman & Managing Director

Directors' Report to the Shareholders

Your Directors' have pleasure in presenting the Twentieth Annual Report on the Business and Operations of the Company and the Audited Statement of Accounts for the year ended 31st March 2010:

Financial Highlights

	Current Year 2009-2010	Previous Year 2008-2009
	(Rs. in Lakhs)	
Gross Revenue	1135.00	1918.93
Total Expenditure	1815.96	1867.50
Financial Expenses	4.43	3.79
Operating Profit/(Loss)	(685.39)	47.64

Review of Operations:

During the year your Company registered gross income of Rs.1135.00 lakhs (previous year Rs.1918.93 lakhs). The company recorded an operating loss of Rs. 685.39 lakhs as against an operating profit of Rs.47.64 lakhs in the previous year.

The revenues of the year have not been in line with our plans and expectations owing to the affects of the global downturn and a recessive environment. While we have ramped up our people strength in line with our plans, we have experienced several enterprises resorting 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.

Our investments on people are magnified due to the poor revenues, thus affecting the bottom line. However, the Company is confident of achieving its mission of becoming the top solutions provider in its chosen space. The Company has top Indian enterprises as its customers today and enjoys healthy partnerships with global Systems Integrators. Leveraging our existing customers along with partnerships should yield better revenues in the future.

Towards the end of the financial year 2009-10, we have noticed the optimism coming back to the overall business environment. The management also analyzed the costs and steps have already been taken to rationalize costs and optimize on the most-dependable resources.

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. However, even our partnerships have experienced a pause in their revenue flows owing to the global downturn.

Our partnerships with global Systems 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, the Company has already taken steps to integrate its products with SAP and other ERP solutions. This would strengthen the products attractiveness for the Manufacturing verticals. On the pricing front, the Company has created flexible and innovative pricing models. This would make our products affordable to medium enterprises and would also encourage large enterprises.

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 placed articles across the web and promotional programs and participation in industry workshops and tradeshows. 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 the downturn receding in all the global markets, stability and certainty are bound to come. The Company is already experiencing signs of optimism from its prospective customers. That said, the Company's success with enterprise customers reflects a promising and robust growth. The fact that the Company is a leader in the customer communications management space in Indian 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 flexible pricing models 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 year 2007-08 by issue of shares to QIB's and on preferential basis to specified persons / entities are as follows:

(Rs. in lakhs)

	2009-10	**2008-09**
Opening Balance	1569.99	2818.54
Funds raised	108.00	-
Total - A	**1677.99**	**2818.54**
Less: Funds utilized		
Capital Expenditure	106.95	188.30
Advance for Capital Works		21.69
Revenue Expenditure	99.61	1038.56
Total Utilized Total - B	**206.56**	**1248.55**
Unutilized (Bank Deposits)	**1471.43**	**1569.99**

Directors:

Mrs. V. Sarada Devi and Mr. P. Pavan Kumar 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:

M/s. 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.

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

Employees Stock Option Plan:

During the year your Company had obtained the approval of the shareholders in their Extraordinary General Meeting held on 19th May, 2009 for introducing two new Employees' Stock Option Schemes – Intense Employees' Stock Option Plan Scheme A 2009 and Scheme B 2009.

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, and 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 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 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 Association Limited. The Company confirms that it has paid Annual Listing Fees due to both the Stock Exchanges for the year 2009-2010.

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 — **C.K.Shastri**
Date: 25th August 2010 — **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 1998.

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 continuous 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)

	2009-10	2008-09
a) Foreign Exchange Earnings		
FOB Value of Goods exported	**46.39**	105.98
b) Foreign Exchange Outgo		
1) Hardware/Software	**128.38**	12.84
2) Travelling	**4.77**	7.21
3) Other expenditure incurred	**8.11**	0.16
4) Transferred to Singapore Branch	**79.07**	107.42

For and on behalf of the Board

Place: Secunderabad
Date: 25th August 2010

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 2009-10 are as under:

1. Fortune Employees Stock Option Plan 2005:

Particulars	As on 01.04.2009	2009-10	As on 31.03.2010
Grant Price (Rs.)	10.00	-	10.00
Exercise Price (Rs.)	10.00	-	10.00
No. of Options Granted	24,20,800	-	24,20,800
No. of Options Exercised	7,03,800	-	7,03,800
No. of Options Vested	13,90,450	4,06,200	17,96,650
No. of Options Lapsed	6,40,250	13,500	6,53,750
No. of Options Outstanding (in force)	10,76,750	10,63,250	10,63,250
Money realized by exercise of options (Rs.)	Nil	Nil	Nil
Weighted fair value of option	N.A	-	N.A

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: 12,32,950

g. Variations in terms of Option: NIL

h. Employee wise details of options granted to:

- Options Granted to Senior Management personnel (not exceeding1%)

Name	No. of options granted
Mr. Radhakrishnan. R	1,20,000
Mr. Srinivas Tangirala	1,20,000
Mr. H. Madhukar Nayak	65,000
Mr. R. Prabhakar	45,000

- 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: NIL

i. No options were granted during the year.

j. No options were exercised during the year.

2. Intense Employees Stock Option Plan A 2007:

Particulars	As on 01.04.2009	2009-10	As on 31.03.2010
Grant Price (Rs.)	84.65	-	84.65
Exercise Price (Rs.)	84.65	-	84.65
No. of Options Granted	1,57,000	Nil	Nil
No. of Options Exercised	Nil	Nil	Nil
No. of Options Vested	12,500	Nil	Nil
No. of Options Lapsed	1,07,000	50,000	1,57,000
No. of Options Outstanding (in force)	-	-	-
Money realized by exercise of options (Rs.)	Nil	Nil	Nil
Weighted fair value of option	N.A	-	N.A

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 01.04.2009	2009-10	As on 31.03.2010
Date of Grant	11.12.2007	-	-
Grant Price (Rs.)	84.65	-	84.65
Closing Market Price on Grant Date (Rs.)	-	-	-
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	2,00,000	2,00,000	4,00,000
No. of Options Lapsed	-	-	-
No. of Options Outstanding (in force)	8,00,000	-	8,00,000
Money realized by exercise of options (Rs.)	Nil	Nil	Nil
Weighted fair value of option	N.A	N.A	N.A

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.

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

f. Variations in terms of Option - NIL

g. During the year 2009-10 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. Number of options available to be granted : 8,00,000

g. Variations in terms of Option - NIL

h. During the year 2009-10 no options were granted under the Intense Employee Stock Option Plan Scheme B 2009.

For and on behalf of the Board

Place: Secunderabad
Date: 25th August, 2010

C.K.Shastri
Chairman & Managing Director

ANNEXURE - III TO THE DIRECTORS' REPORT :

Management Discussion and Analysis

1.Industry Structure

Enterprises have realized that managing customer-facing documents 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 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.

Large systems integrators and technology vendors too have realized the innovative capabilities of this niche space. They rely on companies that can offer their customers 'productized' solutions for customer communications management and business process unification. This is primarily due to the single, end-to-end solution benefits for every communication channel – be it email, print, mobile alerts, web presentment, fax etc. The demand for productized solutions is clearly established wherever processes are focused on generating documents.

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.

2. Downturn and budgetary constraints

While enterprises consider our solutions core to improving operational efficiencies, achieving regulatory compliance and enriching customer experience, the overall business scenario, both global and local, have created an environment of uncertainty and indecision. This was due to the global economic downturn which eventually resulted in tightened budgets and deferment of expansion plans.

Global impact

The events that led to the downturn in the US markets were followed by liquidity crises in Europe and the Middle-East. Being an emerging economy and a direct contributor to the global economy, the Indian industry was obviously cautious with their investments and expansion plans. Many enterprises have hence resorted to a non-committal approach on their budgets and expenditures.

Partnerships

In the past several years, our partnerships with leading systems integrators have seen us complementing strengths and winning customers together. The global downturn had a profound impact on the Indian IT business landscape, with many local SIs resorting to de-risking business models and spreading currency risk. Several SIs have themselves experienced poor response from banking, financial services and insurance sectors, which are the key target verticals of Intense's products.

People costs

Investment in intellectual capital is key to an IT company; more so for an enterprise software products company. Our plans to ramp up resources, improve skill base and enhance sales reach have been negatively impacted by the overall business environment. While we have factored in the affects of the downturn, it lasted longer than we had anticipated. As a result, the costs of people are magnified in the light of the revenues realized.

3.Opportunities

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.

Flexible pricing models

The potential for customer communications management solutions is robust as ever. Not only large enterprises, even medium enterprises are envisaging keen interest in our solutions. To accommodate more customers and to meet the demands of their scale, growth and budgets, we have created flexible and innovative pricing models for our solutions. The pricing models not only make our solutions affordable but also enable predictable revenues.

Product rebranding

The traction for our products has been clear in the enterprise space. Having a strong brand portfolio that can convey a consistency in value proposition is hence critical to customer evaluation. To improve our brand recall and to aid sales efforts, we have re-christened the names of our brands. The decision on new names was taken so as to reflect our products' new strengths and capabilities.

- UniServe™ for enterprise customer communications management.
- UniDoc™ for enterprise document management.
- UniQuest™ for enterprise information management.

We have also invested in platforms that can help us proliferate and communicate our brand to our stakeholders. The past year saw us participating in events that are focused on technology innovation and enterprise software. Our company's flagship UniServe™ was awarded the

Best Software Product at the 18th Annual ITsAP Software Products' Showcase and Awards.

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 variability 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 expect, 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.

Failure to respond to rapid technological changes may make the products obsolete and adversely affect the operating results of the Company.

The market for the Company's products is characterized by rapid technological changes, frequent new product introductions and product enhancements (by competitors) and changing customer demands. Any of these factors can render the Company's existing products obsolete and unmarketable. The Company's success in the future will depend significantly on its ability to upgrade its products to newer technologies and changing needs of its customers in a timely and cost-effective manner. Failure to do so may result in cancellation of orders, make the Company's products unmarketable to new customers; hence resulting in loss of existing customers as they replace our products with those of our competitors. Any of these factors may adversely affect the operating results and financial condition of the Company.

If the Company is unable to manage the significant risks arising from international operations, the company's operating results and financial condition may be adversely affected.

With increasing focus on international operations, the Company will be exposed to several risks, which inter alia include the following:

- Economic and political instability, including war and terrorism or the threat of war and terrorism.

- Difficulty of managing an organization spread across many countries.

- Multiple and conflicting tax laws and regulations.

- Difficulty in hiring employees and difficulties and high costs associated with terminating employees and restructuring operations in foreign countries.

- Trade laws and business practices favoring local competition.

- Compliance with multiple, conflicting and changing government laws and regulations.

-Weaker intellectual property protection in foreign countries.

- Import and export restrictions and tariffs.

- The significant and stronger presence of some of our competitors in certain international markets.

- Greater difficulty or delay in accounts receivable, collection etc.

If the Company is unable to successfully manage these risks, the Company's business may be harmed, which 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.

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.

Because of long product development process and sales cycle, 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.

The Company's operating results may be adversely affected by variations of the Indian rupee against foreign currencies.

The Company plans to generate a significant share of its revenues from international operations. The increase in revenues from international operations will expose the Company to foreign exchange risks. Any adverse fluctuations in the currencies in which the Company's exports are invoiced would affect the Company's results of operations.

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 2009-10 the Board of Directors of your company met 11 times on 20th April 2009, 23rd April 2009, 30th April 2009, 26th May 2009, 3rd June 2009, 27th July 2009, 25th August 2009, 13th October 2009, 31st October 2009, 30th November 2009, and 29th January 2010.

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)
# Mr. C.K.Shastri	C.M.D	11	10	Yes
# Mr. Jayant Dwarkanath	E.D	11	11	Yes
$ Mr. Tikam Sujan	N.E.D	11	2	No
@ Mr. P. Anil Kumar	N.E.D	11	11	Yes
@ Mrs. V. Sarada Devi	N.E.D	11	3	No
@ Mr. P. Pavan Kumar	N.E.D	11	*	No
@ Mr. K.S. Shanker Rao	N.E.D	11	4	Yes
@ Mr. V.S. Mallick	N.E.D	11	1	No
$ Mr. Jagannadha Chidella (upto 30.09.2009)	N.E.D	11	*	No
@ Dr. Krishna Sharma (upto 30.09.2009)	N.E.D	11	1	No

@ Non-Executive Independent Director.

Executive and Non-Independent

$ Non-executive and Non-independent

* Leave of absence was granted

Directorships in other companies:

1. Mr. C. K. Shastri is a Director in M/s. e-JAS Tech Solutions Private Limited and M/s. i-trace Nanotech Private Limited.
2. Mr. Jayant Dwarkanath is a Director in M/s. e-JAS Tech Solutions Private Limited and M/s. i-trace Nanotech Private Limited.
3. Dr. Krishna Sharma is a Director in i-trace Nanotech Private Limited.
4. Mr. P. Anil Kumar is a Director in M/s. e-JAS Tech Solutions Private Limited

3. Audit Committee

Composition

Chairman : Mr. K.S. Shanker Rao

Members : Mrs. V. Sarada Devi

Mr. 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 four times during the financial year 2009-10 on 30th April, 2009, 27th July, 2009, 31st October, 2009, and 29th January, 2010.

Name of the Member	Meetings held during the year	Meetings attended
Mr. K.S Shanker Rao	4	4
Mrs. V. Sarada Devi	4	3
Mr. V.S.Mallick	4	1
Dr. Krishna Sharma (upto 30.09.2009)	4	1

4. Remuneration / Compensation Committee.

The Remuneration / Compensation Committee comprises of the following Directors:

Name of the Member	Meeting Held during the year	Meeting attended
Mrs. V. Sarada Devi	1	1
Mr. V.S. Mallick	1	1
Mr. K.S. Shanker Rao	1	-
Mr. P. Anil Kumar (upto 24.08.2009)	1	1
Dr. Krishna Sharma (upto 30.09.2009)	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 as well as 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 2009-10.

Name of the Director	Category	Remuneration Paid	
		Salary & Perks	Stock Option
Mr. C.K.Shastri	Chairman and Managing Director	30,00,000	Nil
Mr. Jayant Dwarkanath	Executive Director	30,00,000	10,50,000
Mr. Jagannadha Chidella	Non-Executive Director	Nil	Nil
Mr. Tikam Sujan	Non-Executive Director	Nil	1,25,000
Dr. Krishna Sharma	Non-Executive Director	Nil	Nil
Mr. P. Anil Kumar	Non-Executive Director	Nil	Nil
Mrs. V. Sarada Devi	Non-Executive Director	Nil	Nil
Mr. P.Pavan Kumar	Non-Executive Director	Nil	Nil
Mr. K.S. Shanker Rao	Non-Executive Director	40,000	Nil
Mr. 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 Mr. V.S.Mallick, Chairman, Mr. Jayant Dwarkanath and Mr.Tikam Sujan as its members. Ms.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 2009-10 were as follows:

SL No	DESCRIPTION	Opening Balance	Received	Disposed	Pending
1	CHANGE/CORRECTION OF ADDRESS	-	2	2	-
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	-	**2**	**2**	-

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

The Committee comprises of Mr. C.K.Shastri, Chairman, Mr. Jayant Dwarkanath and Mr. 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
Mr.C.K.Shastri	5	5
Mr.Jayant Dwarkanath	5	5
Mr.V.S.Mallick	5	1

7. Annual General Meetings

The last three Annual General Meetings were held as under.

Year	Date	Location	Time
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
2006-07	30.07.2007	Surana Udyog Auditorium, FAPCCI House, Red Hills, Lakdi Ka Pul, Hyderabad –500 004.	3.00 P.M

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

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 Mr. C.K.Shastri as Managing Director of the Company.
3. The change in terms and conditions of appointment of Mr. 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 shares 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.

During 2006-07

1. The issue of 16,00,000 (sixteen lakhs only) stock options convertible into equity shares of Rs.10/- each to Mr. Jayant Dwarkanath and Mr. Raghav Sahgal under Employee Stock option Plan – B 2007 and the issue of 2,00,000 (two lakhs only) options convertible into equity shares of Rs.10/- each to Mr. Raghav Sahgal under Employee Stock option Plan – C 2007.
2. The issue of 16,75,000 (sixteen lakhs seventy five thousand only) equity share warrants convertible into equity of Rs.10/- each to Mr. C.K.Shastri, Mr. Raghav Sahgal, Mr. Vivek Bhargava, Mr. D.G.K. Rao and Mr. J.A. Rao at a price of Rs.83/- per equity share.
3. The issue of 16,00,000 (sixteen lakhs only) equity shares to M/s. Vacuf Limited, M/s. Venus Capital Management Inc, Mr. Satpal Khattar, Mr. Sunil Shiv Khanna, at a price of Rs.83/- per equity share.
4. The raising of investment limits of FII / NRI's to 49% of the Equity Share Capital of the company.
5. The change in terms and conditions of appointment of Mr. C.K.Shastri as Managing Director of the Company.
6. The change in terms and conditions of appointment of Mr. Jayant Dwarkanath as Whole time Director of the Company.

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 Auditor's 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) with the discontinuation of EDIFAR system.

10) GENERAL SHAREHOLDERS' INFORMATION

1. 20th Annual General Meeting:

The 20th Annual General Meeting of the Company will be held on Thursday, the 30th September 2010 at 10.00 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 one month of closure of the quarter.

3. Date of Book Closure : 30th September 2010

4. Listing on Stock Exchanges: : The Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai - 400 001.

The Calcutta Stock Exchange Association Limited
7, Lyons Range,
Kolkata - 700 001.

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

5. Stock Market Data:

Stock Code: BSE 532326

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

Month	BSE	
	High	Low
Apr-09	13.00	10.40
May-09	18.42	11.82
Jun-09	21.30	13.90
Jul-09	15.35	11.50
Aug-09	15.09	11.25
Sep-09	15.80	12.90
Oct-09	16.73	13.00
Nov-09	14.05	11.25
Dec-09	12.54	11.11
Jan-09	14.99	10.80
Feb-09	12.65	9.70
Mar-10	10.95	7.74

6. 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 2009-10:

Transfer period	No. of Transfers	No. of shares	% of Shares
1 - 15 Days	3	301	0.002

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

7. 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 2009-10.

8. Distribution of Shareholding as on 31st March 2010

Category (Amount)	No. of cases		No. of shares		Amount	
	Number	% of Total	Number	% of Total	In Rs.	% of Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1-5000	7884	76.57	1375216	7.38	13752160	7.38
5001-10000	1014	9.85	871881	4.68	8718810	4.68
10001-20000	570	5.54	893677	4.79	8936770	4.79
20001-30000	239	2.32	617508	3.31	6175080	3.31
30001-40000	115	1.12	417342	2.24	4173420	2.24
40001-50000	117	1.14	558586	3.00	5585860	3.00
50001-100000	182	1.76	1357158	7.28	13571580	7.28
100001 and above	175	1.70	12546514	67.32	125465140	67.32
Total	**10296**	**100.00**	**18637882**	100.00	**186378820**	**100.00**

9. Shareholding Pattern as on 31st March 2010.

S.No.	Category	No. of Shares	%
1	Indian Promoters	1682738	9.03
2	Foreign Institutional Investors	752000	4.03
3	Bodies Corporate	3657774	19.63
4	Indian Public	10248235	54.98
5	NRI's / OCB's	2297134	12.33
6	Trusts	1	0.00
	Total	**18637882**	**100.00**

10. Dematerialization of Shares and Liquidity

S.No.	Particulars	No. of Shares	% of Share Capital
1	NSDL	13939264	74.79
2	CDSL	4523786	24.27
3	Physical	174832	0.94
	Total	**18637882**	**100.00**

11. 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.

12. 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.

Address for Correspondence:

Ms. 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, 2010 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: 25th August, 2010	**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, 2010, 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, 2010, 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

Place: Hyderabad
Date: 25th August, 2010

P.Srinivas
Proprietor
Membership No. 204098

DECLARATION BY THE MANAGING DIRECTOR OF THE COMPANY ON THE 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: 25th August, 2010

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, 2010 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, 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010 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, 2010,
      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

Place: Hyderabad
Date: 25th August 2010

P.Srinivas
Proprietor
Membership No.204098

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, 2010)

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) 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 not granted unsecured loans to (1) Company listed in the register maintained under section 301 of the Companies Act, 1956.

(b) 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) 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 no 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, 2010 for a period of more than six months form 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 with Sales Tax (CST) where an appeal was made against a 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. 439.93 lakhs during the financial year covered by our audit and incurred no cash loss 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) The Company has maintained adequate documents and records in cases where the Company has 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, we report that the funds raised on short-term basis have not been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.

(18) The Company has not issued or allotted any preferential shares during the year and hence clause (XVIII) of the Companies (Auditor's) Report Order, 2003 is not applicable to the company.

(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

Place: Hyderabad
Date: 25th August, 2010

P. SRINIVAS
Proprietor
Membership No.204098

Balance Sheet as at 31st March 2010

(Rupees)

	Schedule	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	186,378,820	186,378,820
Share Application Money		10,800,000	13,902,500
Reserves & Surplus	2	173,705,424	231,495,127
		370,884,244	**431,776,447**
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	3	162,550,792	144,226,157
Less: Depreciation		108,873,345	86,833,949
Net Block		**53,677,447**	**57,392,208**
INVESTMENTS	4	**37,343**	**37,343**
CURRENT ASSETS, LOANS & ADVANCES	5		
Sundry Debtors		83,764,330	160,274,749
Cash & Bank Balances		191,700,854	179,859,972
Loans & Advances		46,810,074	30,302,656
		322,275,258	**370,437,377**
LESS:CURRENT LIABILITIES & PROVISIONS	6		
Current Liabilities		2,513,774	3,081,949
Provisions		27,268,090	18,309,112
		29,781,864	**21,391,061**
NET CURRENT ASSETS		**292,493,394**	**349,046,316**
MISC.EXPENDITURE (To the extent not written off or adjusted)	7	7,319,110	11,305,996
DEFERRED TAX ASSET		17,356,950	13,994,584
		370,884,244	**431,776,447**
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

For and on behalf of the Board

P.Srinivas
Proprietor
Membership No.204098

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

Place: Secunderabad
Date : 25th August, 2010

K.Tejaswi
Company Secretary

Profit & Loss Account for the period ended 31st March 2010

(Rupees)

	Schedule	Year Ended 31.03.2010	Year Ended 31.03.2009
INCOME			
Revenue from Operations		99,816,830	174,095,072
Other Income	9	13,682,884	17,797,931
		113,499,714	**191,893,003**
EXPENDITURE			
Operating Expenses	10	4,157,590	2,876,371
Personnel	11	115,995,968	116,480,277
Administrative & Marketing Expenses	12	36,896,649	48,643,114
Financial Charges	13	442,899	379,455
		157,493,106	**168,379,217**
Profit/(Loss) Before Depreciation/Amortisation and Exceptional Items		(43,993,392)	23,513,786
Misc Exp written off		645,703	645,703
Depreciation and amortization		23,900,475	18,104,376
Profit/(Loss) before Tax		(68,539,570)	4,763,707
Actuarial Gain		-	2,352,399
Exceptional Item		4,890,225	-
Provision for Taxes			
i.Current Tax (MAT)		-	490,662
ii.Deferred Tax		3,362,366	3,696,787
iii.Provision for Fringe Benefit Tax		-	721,242
Profit/(Loss) after Tax		(70,067,429)	9,600,989
Prior Period Adjustments		(1,202,134)	(1,771,007)
Balance Carried forward		**(71,269,563)**	**7,829,982**
Basic EPS		**(3.68)**	**0.19**
Diluted EPS		**(3.15)**	**0.17**

Schedules form an integral part of Accounts

As per our Report of even date

Srinivas P.& Associates
Chartered Accountants

For and on behalf of the Board

P.Srinivas
Proprietor
Membership No.204098

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

Place: Secunderabad
Date : 25th August, 2010

K.Tejaswi
Company Secretary

Schedule forming part of Balance Sheet

		As at 31.03.2010	As at 31.03.2009
			(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		
	18,637,882 Equity Shares of Rs. 10/- each	186,378,820	186,378,820
	(Previous year 18,637,882 Equity Shares of Rs. 10/- each)		
		186,378,820	**186,378,820**
2	**RESERVES & SURPLUS**		
	Share Premium	405,019,259	405,019,259
	Warrants Forfeiture	13,902,500	-
	Employee Stock Options Outstanding	16,518,755	16,941,395
	Debit Balance in Profit & Loss Account	(261,735,090)	(190,465,527)
		173,705,424	**231,495,127**

Schedule forming part of Balance Sheet

3.FIXED ASSETS

(Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2009	**Additions**	**Deletions**	**Total 31.03.2010**	**As at 01.04.2009**	**Additions**	**Deletions**	**Total 31.03.2010**	**As at 31.03.2010**	**As at 31.3.2009**
Buildings	15,725,463	-	-	15,725,463	5,951,964	488,675	-	6,440,639	9,284,824	9,773,499
Computers & Software	53,738,614	19,188,122	2,065,602	70,861,134	39,535,244	11,657,157	1,861,079	49,331,322	21,529,812	14,203,370
Furniture & Fixtures	17,816,363	6,183	-	17,822,546	8,142,213	1,751,180	-	9,893,393	7,929,153	9,674,150
Office Equipment	9,870,247	1,195,932	-	11,066,179	5,429,980	682,916	-	6,112,896	4,953,283	4,440,267
Vehicles	2,244,090	-	-	2,244,090	875,720	354,271	-	1, 229,991	1,014,099	1,368,370
INTANGIBLE ASSET Computer Software *	44,831,380	-	-	44,831,380	26,898,828	8,966,276	-	35,865,104	8,966,276	17,932,552
	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**
Previous Year	123,723,995	20,999,042	496,880	144,226,157	69,209,912	18,104,376	480,339	86,833,949	57,392,208	54,514,083

*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

(Rupees)

		As at 31.03.2010	As at 31.03.2009
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	65,707,805	52,211,022
	Others	18,056,525	108,063,727
		83,764,330	**160,274,749**
	Cash & Bank Balances		
	Cash in hand	108,733	86,887
	Cash at Banks		
	In Current Accounts with		
	HDFC Bank Ltd	1,292,790	10,366,092
	ICICI Bank Ltd	1,280,332	58,645
	HDFC Bank -Pref.Issue A/c	314,840	30,157
	Citi Bank - Singapore Br	1,541,668	324,330
	State Bank of Hyderabad -Branch Accounts	6,751,765	11,461,344
	In Fixed Deposits with		
	State Bank of Hyderabad/HDFC	180,410,726	157,532,517
		191,700,854	**179,859,972**
	Loans & Advances		
	Staff Advances	234,207	1,218,832
	Other Advances	41,807,968	25,262,056
	Deposits		
	EMDs	1,783,558	1,120,053
	Others	2,984,341	2,701,715
		46,810,074	**30,302,656**
6	**CURRENT LIABILITIES & PROVISIONS**		
	Current Liabilities		
	Sundry Creditors	1,831,991	2,277,166
	Advances from Customers	681,783	804,783
		2,513,774	**3,081,949**
	Provisions		
	Provision for expenses	21,536,090	14,201,566
	Provision for Gratuity	5,732,000	4,107,546
		27,268,090	**18,309,112**
7	**MISC. EXPENDITURE**		
	i) Preliminary & Public Issue Expenses	5,165,632	5,811,335
	Less: written off	645,703	645,703
	Sub-total (a)	**4,519,929**	**5,165,632**
	ii) Deferred Employee Compensation Expense	2,799,181	6,140,364
	Sub-total (b)	**2,799,181**	**6,140,364**
	Total (a) + (b)	**7,319,110**	**11,305,996**

Schedule forming part of Profit & Loss Account

		Year Ended 31.03.2010	Year Ended 31.03.2009
			(Rupees)
9	**OTHER INCOME**		
	Dividend	540	684
	Interest	13,682,344	17,735,544
	Misc.Receipts	-	61,703
		13,682,884	**17,797,931**
10	**OPERATING EXPENSES**		
	AMC Charges	475,475	182,663
	Consumables	325,746	139,320
	Electricity Charges	2,465,886	2,032,917
	Repairs & Maintenance	890,483	521,471
		4,157,590	**2,876,371**
11	**PERSONNEL**		
	Salaries	107,767,195	110,533,500
	Employee Compensation Expense	2,918,543	2,321,951
	Actuarial Loss	596,901	-
	Gratuity	1,027,553	1,233,172
	Staff Welfare	3,685,776	2,391,654
		115,995,968	**116,480,277**

Schedule forming part of Profit & Loss Account

		Year Ended 31.03.2010	Year Ended 31.03.2009
			(Rupees)
12	**ADMINISTRATIVE & MARKETING EXPENSES**		
	Advertisement	112,615	38,173
	AGM Expenses	300,606	409,132
	Audit fees		
	Statutory Audit Fees	250,000	250,000
	Singapore Branch Audit Fees	67,000	70,000
	Bad debts written off	7,708	5,833,313
	Books, Periodicals& News Papers	13,913	19,411
	Business Promotion	1,946,184	913,595
	Commission & Brokerage	69,000	59,528
	Directors Remuneration	6,040,000	6,000,000
	EGM Expenses	98,374	-
	Loss from Foreign Exchange Fluctuation	-	85,770
	Loss on Sale of Fixed Assets	100,170	-
	General charges	66,390	61,878
	Housekeeping Expenses	513,020	419,431
	Insurance	196,022	513,525
	Office Maintenance	487,892	1,319,740
	Courier and Postage	133,741	137,509
	Printing & Stationery	389,152	706,163
	Professional Charges	3,532,693	1,612,373
	Rates & Taxes	1,636,094	1,688,112
	Rent	5,661,865	7,293,701
	Scanning charges	1,485,458	917,773
	Security Services	144,000	147,617
	Seminar & Training Charges	502,703	908,337
	Telephones	3,359,864	4,745,371
	Travelling Expenses	9,752,340	14,451,849
	Vehicle Insurance	29,845	40,813
		36,896,649	**48,643,114**
13	**Financial Charges**		
	Bank Charges & Commission	297,869	194,199
	Interest on Vehicle Loan	145,030	185,256
		442,899	**379,455**

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.

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. Fringe Benefit Tax is determined as the amount of tax payable in respect of taxable income/ deemed fringe benefits for the period. 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.

	2009-2010 Rs.	2008-2009 Rs.
Contingent Liabilities:		
Counter Guarantees given to Banks towards issue of B.G.s	**3,486,400**	471,400
Outstanding Bank Guarantees	**3,486,400**	471,400
FDRs pledged with Central Excise Department	**-**	55,000
General Surety Security with Central Excise Dept.	**-**	1,100,000
Managerial Remuneration:		
Managing & Whole time Directors	**6,040,000**	6,000,000
Imports on CIF basis:		
Hardware/Software	**12,837,877**	1,284,052
Expenditure in Foreign Currency:		
Travel Expenses	**477,060**	721,147
Other Expenditure incurred	**810,957**	16,100
Transferred for Singapore Branch Expenses	**7,907,599**	10,742,825

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)
Iran	4.33
Kenya	25.91
Kuwait	2.40
UAE	0.29
Oman	0.69
Sri Lanka	8.27
USA	4.50
Total	**46.39**

5.Prior Period Items

Major items include an amount of Rs.4.55 lakhs pertain to EMDs (old) and an amount of Rs.2.40 lakhs pertain to tax differences for the earlier years.

6.Earning Per Share

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
A. Numerator for earning per share	**(68,539,570)**	3,551,803
B. Denominator for basic earning per share	**18,637,882**	18,637,882
C. Denominator for diluted earning per share	**21,731,618**	21,083,670
D. Basic earning per share (A/B)	**(3.68)**	0.19
E. Diluted earning per share (A/C)	**(3.15)**	0.17

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 Auditor’s Report dated 26th July 2010 of M/s.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. Exceptional items pertains to one time severance payment made to ex-employee of the company.

13. Share Application money of Rs.108.00 lakhs includes Rs.24.00 lakhs pertaining to equity warrant money received from NRI Director for which no FIPB approval was received.

14.Amounts paid/payable to Auditors:

	2009-10	2008-09
Statutory Audit Fee	2,50,000	2,50,000
Tax Audit Fees	25,000	25,000
Certification	1,20,000	75,000
Branch Auditors	67,000	70,000

15.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 15(A) above has significant influence:
(i) eJAS Tech Solutions Pvt.Ltd
(ii) i-Trace Nanotech Pvt.Ltd

Transaction with related parties

	eJAS Tech Rs.
a) Sale of etaxfile & Services	24,47,416

16.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	40,000/-	
	————	60,40,000/-

17.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	**2009-10**	**2008-09**
Employer’s contribution to Provident Fund	1,08,068	89,042
Employer’s contribution to Pension Fund	2,45,305	2,02,102
Total	**3,53,373**	**2,91,144**

18.ESOP’s granted to Management Personnel :

(i) Jayant Dwarkanath - 10,50,000 stock options.

19.Gratuity Report under AS-15 (rev) as on 31.03.2010

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 2010

1	**Table Showing the changes in present value of obligations as on 31/03/2010**		
	a	Present value of obligations at the beginning of the year	4,107,546
	b	Interest cost	328,604
	c	Current service cost	698,949
	d	Benefits paid-Actuals	-
	e	Expected liability at the year end	5,135,099
	f	Present value of obligations at the end of the year	5,732,000
	g	Actuarial Loss/gain (Loss)	(596,901)
2	**Changes in fair value of Assets**		
	a	Fair Value of Assets at the beginning of the year	-
	b	Expected return on plan assets	83,230
	c	Contributions	1,520,461
	d	Benefits paid	
	e	Actuarial gain/loss on plan assets	Nil
	f	Fair Value of Assets at the end of the year	1,603,691
3	**Table showing fair value of plan assets**		
	a	Fair value of plan assets at the beginning of the year	-
	b	Actual return on plan assets	83,230
	c	Contributions	1,520,461
	d	Benefits paid	-
	e	Fair value of plan assets at the end of the year	1,603,691
	f	Funded Status	(4,128,309)
	g	excess of Actual over estimated return on plan assets	Nil
4	**Actuarial Loss or Gain recognised31-03-2010**		
	a	Actuarial Loss / gain for the year-Obligation	(596,901)
	b	Actuarial Loss / gain for the year-plan assets	-
	c	Total gain / Loss for the year	(596,901)
	d	Actuarial gain / Loss recognised	(596,901)
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	5,732,000
	b	Fair Value of Assets at the end of the year	1,603,691
	c	Funded Status	(4,128,309)
	d	Net liability / Asset recognised in balance sheet	(4,128,309)
6	**Expenses Recognised in statement of P&L**		
	a	Current Service Cost	698,949
	b	Interest Cost	328,604
	c	Expected return on plan assets	83,230
	d	Net Actuarial gain / Loss recognised in the year	(596,901)
	e	Expesnes recognised in statement of Profit & Loss	1,541,224
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, 2010

	2009-10 Rs.	2008-09 Rs.
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax	(68,539,570)	4,763,707
Adjustment for:		
Depreciation	23,900,475	18,104,376
Miscellaneous Expenses written off	645,703	645,703
Other Income	(13,682,884)	(17,797,931)
Operating Profit/(Loss) before working capital changes	**(57,676,276)**	**5,715,855**
Adjustment for:		
(Increase)/Decrease in Trade Receivables	76,510,419	(105,689,842)
(Increase)/Decrease in Other Current Assets	(16,507,418)	(13,886,479)
Increase/(Decrease) in Current Liabilities	(568,175)	(532,803)
Increase/(Decrease) in Other Liabilities	8,958,978	2,913,042
Cash generated from Operations	**10,717,528**	**(111,480,227)**
FBT & MAT	-	(1,211,904)
Exceptional Items	(4,890,225)	-
Actuarial Gain	-	2,352,399
Prior Period Items	(1,202,134)	(1,771,007)
Net Cash Flow from Operating Activities	**4,625,169**	**(112,110,739)**
B Cash Flow from investing Activities		
(Increase)/Decrease in Fixed Assets	(20,185,714)	(20,982,501)
(Increase)/Decrease in Misc.& QIP Expenditure	2,918,543	2,321,951
Other Income Received	13,682,884	17,797,931
	(3,584,287)	**(862,619)**
C Cash Flow from Financing Activities		
Increase/(Decrease) in Warrants Forfeiture	13,902,500	-
Increase/(Decrease) in Share Application Money	(3,102,500)	-
Net cash generated from Financing Activities	**10,800,000**	**-**
Cash & Cash equivalents utilised (A+B+C)	11,840,882	(112,973,358)
Cash & Cash equivalents (Opening Balance)	179,859,972	292,833,330
Cash & Cash equivalents (Closing Balance)	191,700,854	179,859,972

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

Srinivas P. & Associates
Chartered Accountants
P.Srinivas
Proprietor

For and on behalf of the Board

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

Membership No.204098
Place: Secunderabad
Date : 25th August, 2010

K.Tejaswi
Company Secretary

AUDITOR'S CERTIFICATE

We have certified the above statement of Intense Technologies Limited derived from the audited annual financial statements for the period ended 31st March,2010 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

P.Srinivas
Proprietor
Membership No.204098

Place: Secunderabad
Date: 25th August, 2010.

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 : 31.3.2010	
II. Capital raised during the: Year (Rs.in Lakhs)	Public Issue : NIL	Rights /Pref. Issue : NIL
	Bonus Issue : NIL	Private Placement : NIL
III. Position of Mobilisation & Deployment of Funds (Rs.in Lakhs)	Total Liabilities : 3708.84	Total Assets : 3708.84
	Source of Funds	Application of Funds
	Paid-up Capital : 1863.79	Net Fixed Assets : 536.78
	Reserves & Surplus : 1737.05	Investments : 0.37
	Secured Loans : NIL	Net Current Assets : 2924.93
	Share Appln Money : 108.00	Misc.Expenditure : 73.19
		Deferred Tax Asset : 173.57
IV. Performance of Company (Rs.in Lakhs)	Turnover : 1135.00	Total Expenditure : 1820.39
	Profit/Loss before Tax : (685.39)	Def.Tax/Provision for Tax : 33.62
	Exceptional Items : (48.90)	Profit/Loss after Tax : (700.67)
	Earnings Per Share in Rs. (3.68)	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

For and on behalf of the Board

P.Srinivas
Proprietor
Membership No.204098

C.K.Shastri
Managing Director

Jayant Dwarkanath
Director

Place: Secunderabad
Date : 25st August, 2010

K.Tejaswi
Company Secretary

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

ATTENDANCE SLIP

Day Thursday
Date September 30, 2010
Time 10.00 a.m.

Venue Surana Udyog Auditorium,
FAPCCI House,
Red Hills,Lakdi-Ka-Pul,
Hyderabad – 500004

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

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 20th 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. :

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

No.of Shares:

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 20th ANNUAL GENERAL MEETING of the Company, to be held on Thursday, the 30th day of September, 2010 at 10.00 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.