



# Indian Toners & Developers Ltd.

(A Govt. recognized Export House)  
CIN No. : L74993UP1990PLC015721

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Corporate Office :  
1223, DLF Tower B, Jasola,  
New Delhi - 110 025 (India)

March 23, 2016

The Department of Corporate Services,  
BSE Limited  
Phiroz Jejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

BSE Scrip Code: 523586

Dear Sir,

**Sub: Outcome of the Board Meeting held on 23<sup>rd</sup> March, 2016 - Disclosure under Regulation 30(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with sub-para 1.2 of Para A 1 of Annexure I of Circular bearing number CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 issued by Securities and Exchange Board of India**

In continuation to the decisions taken by the board in their meeting held on 9<sup>th</sup> February, 2016, the board in its meeting held today, has considered and approved a Scheme of Amalgamation along with the Share Exchange Ratio. The Scheme provides for amalgamation of -

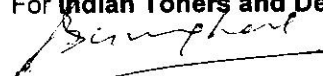
- |   |   |   |
|---|---|---|
| (i) M/s ITDL Imagetec Limited, a 51% Subsidiary of the Company; | } | <b>Promoter Shareholder<br/>Companies</b> |
| (ii) M/s ABC Commercial Company Limited;                        |   |   |
| (iii) M/s Alankar Securities Private Limited;                   |   |   |
| (iv) M/s Triveni Securities Private Limited;                    |   |   |
| (v) M/s Mahavir Phototech Private Limited                       |   |   |

with the Company, in accordance with the provisions of Section 391 – 394 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013.

The detailed disclosure as required under Regulation 30 of the Listing Regulations, 2015 read with Circular CIR/CFD/CMD/4/2015 dated 9 September, 2015 is enclosed as Annexure to this Outcome.

Request you to take the same on your records.

Yours faithfully,  
For **Indian Toners and Developers Limited**

  
(S.C. Singhal)  
Company Secretary

Encl.: As above

- a) Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc. :

The scheme provides for amalgamation of M/s ITDL Imagetec Limited, M/s ABC Commercial Company Limited, M/s Alankar Securities Private Limited, M/s Triveni Securities Private Limited and M/s Mahavir Phototec Private Limited with the Company.

Out of the above, M/s ITDL Imagetec Limited is subsidiary of the Company, while the other companies are promoter shareholders of the Company.

The brief details of the Companies are as follows –

(Rs. In Lacs)

Name of the Transferor Company	% Shareholding in the Company	% Shareholding held by the Company	Turnover for FY 2015	Net Worth (as on 31.03.2015)
ITDL Imagetec Limited	0.00%	51.00%	6,171.62	4,505.59
ABC Commercial Company Limited	5.88%	0.00%	0.39	72.07
Alankar Securities Private Limited	10.02%	0.00%	0.17	80.96
Triveni Securities Private Limited	7.84%	0.00%	0.16	69.61
Mahavir Phototec Private Limited	11.36%	0.00%	0.16	88.12

- b) Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".

Yes, the transferor companies are related to the company. The transaction is based on independent Fair Valuation of shares of each of the companies and will be subject to prior approval of shareholders and High Court.

Also, MCA vide its Circular No. 30/2014 dated 17th July 2014, has clarified that transactions arising out of compromises, arrangements and amalgamations dealt with under specific provisions of the Companies Act, 1956/Companies Act, 2013, would not attract the requirements of section 188 of the Companies Act, 2013.

- c) Area of business of the entity(ies)

Name of the Transferor Company	Area of Business
ITDL Imagetec Limited	Manufacture of compatible toners for copiers, printers, digital multi-function devices and white format printing for domestic market
ABC Commercial Company Limited	Promoter Shareholder of Indian Toners & Developers Limited
Alankar Securities Private Limited	Promoter Shareholder of Indian Toners & Developers Limited
Triveni Securities Private Limited	Promoter Shareholder of Indian Toners & Developers Limited
Mahavir Phototec Private Limited	Promoter Shareholder of Indian Toners & Developers Limited

For Indian Toners & Developers Ltd.

Company Secretary



**d) Rationale for amalgamation/ merger:**

- Indian Toners & Developers Limited, the Transferee Company, is engaged in the manufacture of compatible toners for copiers, printers, digital multi-function devices and white format printing. This company majorly focuses on the exports. The Subsidiary, ITDL Imagetec Limited, is also engaged in the similar product manufacturing, however, it mainly concentrates on the domestic market. The international market of the product is highly competitive and hence it is not growing rapidly, while in the domestic market, the Group has niche.
- The amalgamation of ITDL Imagetec Limited with Indian Toners & Developers Limited, would provide a competitive edge to the Transferee Company, as it would now be focusing on the international as well as the domestic market. Additionally, the amalgamation shall also add to the financial strength of the Transferee Company and shall provide flexibility.
- The amalgamation of all the other Transferor Companies, shall bring out the consolidated structure of the Group, where in post the amalgamation, the Group shall be having clean corporate structure.
- Apart from above, this scheme of amalgamation shall result in following benefits -
  - Financial strength and flexibility for the Transferee Company, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
  - Eliminating intra group competition;
  - Achieve greater efficiencies in operations with optimum utilization of resources, better administration and reduced cost. Benefit of operational synergies to the combined entity in areas such as sourcing of materials, product planning and development and increased revenue generation through increased sales as well as optimization, cost efficiency and business logistics, which can be put to the best advantage of all stakeholders.
  - Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, productivity improvements, and the elimination of duplication, and optimum rationalization of administrative expenses and utilization of human resources.
  - Greater efficiency in cash management of the amalgamated entity, and pooling of cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
  - Improved organizational capability and leadership arising from pooling of financial, managerial and technical resources.
  - Better financial, business and operational prospects including but not limited to, efficient management of costs, better maintenance of the manufacturing of costs,

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better maintenance of the manufacturing/warehousing facilities and improved administrative control of the Amalgamated Company.

**e) Share Exchange Ratio:**

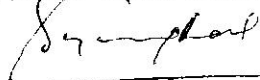
Share exchange ratio as provided in the scheme of amalgamation is as follows -

- In case of amalgamation of M/s ITDL Imagetec Limited with the Company, all the shares held by the Company in the M/s ITDL Imagetec Limited, shall be cancelled and against the remaining shares, equity shares, would be issued to the shareholders (other than shares held by M/s Indian Toners & Developers Limited) of the M/s ITDL Imagetec Limited in accordance with the following share exchange ratio -
  - 1028 (One Thousand Twenty Eight) Equity shares of face value of Rs.10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in ITDL Imagetec Limited
- In case of amalgamation of other group Holding Companies with the Company, it is decided that, the shares held by these Companies in the Company, shall be distributed among their shareholders, in the proportion of their shareholding (subject to cross holdings, if any). Further, only 65,510 additional shares shall be issued to the shareholders of these companies. The share exchange ratio for the same is as under -
  - 63 (Sixty Three) Equity shares of face value of Rs.10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in ABC Commercial Company Limited.
  - 146 (One Hundred and Forty Six) Equity shares of face value of Rs.10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in Alankar Securities Private Limited.
  - 148 (One Hundred and Forty Eight) Equity shares of face value of Rs.10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in Triveni Securities Private Limited.
  - 196 (One Hundred and Ninety Six) Equity shares of face value of Rs.10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in Mahavir Phototec Private Limited.

**f) Pre and post shareholding pattern:**

Particulars	Pre-Merger (% Holding)	Post-Merger (% Holding)
- Promoters	49.73%	69.21%
- Non- Promoters	50.27%	30.79%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

For Indian Toners & Developers Ltd.



Company Secretary

