



December 1, 2025

To
The Manager- Listing Department,
BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai- 400001, Maharashtra, India.

Scrip ID/Code: TRUECOLORS/544531

Subject: Outcome of Board Meeting of the Company held on Monday, December 1, 2025.
Reference No.: Regulation 30 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

Respected Sir/ Madam,

In compliance with Regulation 30 read with Schedule III of the Listing Regulations, we wish to inform you that the Board of Directors ("**Board**") of True Colors Limited ("**Company**" or "**Transferee Company**"), based on recommendations of the Audit Committee and the Independent Directors, at its meeting held today i.e. Monday, December 1, 2025, has *inter alia* considered and approved the scheme of amalgamation (merger by absorption) of Inkia Inks Private Limited ("**Transferor Company**") with the Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder ("**Scheme**").

The Scheme *inter alia* provides for the amalgamation of the Transferor Company with the Company, dissolution of the Transferor Company without winding up or any further act, deed or thing, issuance of shares of the Transferee Company to the shareholders of the Transferor Company as per the swap ratio (as set out below) and various other matters incidental thereto.

The Scheme is, *inter alia*, subject to the receipt of statutory and regulatory approvals, including approvals from BSE Limited, jurisdictional National Company Law Tribunal Bench and the shareholders and creditors of respective entities involved in the Scheme.

The above information is also being made available on the website of the Company at truecolorsgroup.com and the Scheme as approved by the Board would be hosted on the website upon submission of the same with the Stock Exchange.

The details required under Regulation 30 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, with respect to the above, are given in the enclosed **Annexure - A**.

TRUE COLORS LIMITED

(Formerly known as 'TRUE COLORS PRIVATE LIMITED')

+91 92743-35001
info@truecolorsgroup.com
www.truecolorsgroup.com

REGISTERED OFFICE
True Colors House, P-8, GR Flr to 3rd Flr,
Somakanji ni Wadi, Patel Line, Khatodara,
Surat, Gujarat, India, 395002

FACTORY
Plot No. 44 & 51, Rajhans Zesto Kalakachha,
Jalalpore (Near Palasana Cross Road)
Navsari-396415 Gujarat (India)



The meeting of the Board of the Company commenced at 03:25 P.M. and concluded at 04:00 P.M.

Kindly take the above information on your record.

Thank you!
Yours Faithfully.

For True Colors Limited
(Formerly Known as True Colors Private Limited)

Javanika Gandharva
Company Secretary & Compliance Officer

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Annexure - A - Brief details of Amalgamation

S. No	Particulars	Details																
1.	<p>Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.</p>	<p>Transferor Company:</p> <p>The Transferor Company (<i>Inkia Inks Private Limited</i>) was incorporated as a private limited company under the provisions of the Companies Act, 2013 (“Act”), and has its registered office at Sy. No. 428/1 TPS-6 B No.6, FP No. 243, Soma Kanji Ni Wadi, U M Road, Khatodara, Surat, Gujarat 395002.</p> <p>Brief details of the assets, net worth and turnover of the Transferor Company, as on September 30, 2025, as per its audited financial statements is as follows:</p> <p style="text-align: right;">(Amount in Thousand)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 50%;">Standalone</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td style="text-align: right;">INR 1,81,375.06</td> </tr> <tr> <td>Net worth</td> <td style="text-align: right;">INR 60,186.38</td> </tr> <tr> <td>Turnover</td> <td style="text-align: right;">INR 1,07,559.78</td> </tr> </tbody> </table> <p>Transferee Company:</p> <p>The Transferee Company (<i>True Colors Limited</i>) is a public limited company under the provisions of the Companies Act, 2013, and has its registered office at P-8, Ground Floor to 3rd Floor, Soma Kanji Ni Wadi, Patel Line, Khatodara, Surat, Gujarat 395002. The equity shares of the Transferee Company are listed on the SME segment of the BSE Limited (“BSE”).</p> <p>Brief details of the assets, net worth and turnover of the Transferee Company, as on September 30, 2025, as per its audited financial statements are as follows:</p> <p style="text-align: right;">(Amount in Lakhs)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 50%;">Standalone</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td style="text-align: right;">INR 33,598.82</td> </tr> <tr> <td>Net worth</td> <td style="text-align: right;">INR 19,716.59</td> </tr> <tr> <td>Turnover</td> <td style="text-align: right;">INR 15,111.36</td> </tr> </tbody> </table>	Particulars	Standalone	Total assets	INR 1,81,375.06	Net worth	INR 60,186.38	Turnover	INR 1,07,559.78	Particulars	Standalone	Total assets	INR 33,598.82	Net worth	INR 19,716.59	Turnover	INR 15,111.36
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<p>Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"</p>	<p>Yes, the Transferor Company is a related party of the Transferee Company.</p> <p>In terms of General Circular No. 30/2014 dated July 17, 2014, issued by Ministry of Corporate Affairs, the transactions arising out of compromises, arrangements and amalgamations under the Act, will not attract the requirements of Section 188 of the Act.</p> <p>The consideration for the amalgamation is being discharged on an "arm's length" basis and arrived based on valuation report dated December 1, 2025, issued by 'Treu Valuation Services Private Limited', an independent registered valuer, having Registration No. IBBI/RV-E/02/2023/181. The Company has also obtained a fairness opinion dated December 1, 2025, issued by GYR Capital Advisors Private Limited, an independent SEBI registered Category I merchant banker.</p> <p>The Independent Directors and the Audit Committee have also provided their reports recommending the Scheme.</p>
<p>Area of business of the entity(ies)</p>	<p>The Transferor Company is engaged in the business of designing and manufacturing a diverse range of specialized inks tailored for various fabric applications such as (a) sublimation inks; (b) reactive inks; (c) pigment inks; and (d) disperse inks. The Transferor Company's products distinguish themselves through (i) unparalleled color accuracy and intensity; (ii) enhanced durability and resistance to fading; (iii) environmentally friendly formulations, adhering to stringent eco-standards; and (iv) compliance with international quality norms and regulations.</p> <p>The Transferee Company is engaged in the business of (a) import and distribution of digital textile printers and inks; (b) manufacturing and distribution of sublimation paper; and (c) digital textile printing and supplying products related thereto. The business model of the Transferee Company revolves around manufacturing and trading covering the aforementioned 3 key pillars in the digital textile printing industry.</p>

<p>Rationale for amalgamation/merger</p>	<p>The reasons and circumstances leading to and justifying the proposed Scheme of the Transferor Company with the Transferee Company, making it beneficial for all the concerned stakeholders, including the members of the Transferor Company and Transferee Company, are as follows:</p> <ul style="list-style-type: none"> (i) Strengthening core business of the Transferee Company: The amalgamation of the Transferor Company with the Transferee Company will strengthen one of the core businesses of the Transferee Company by way of backward integration and will enable the Transferee Company to have access to fully integrated ink business under one ecosystem, which will help in significant cost-optimization through in-house production, reduced dependency on external suppliers for raw materials and finished inks, better control over quality, consistency, and development cycles, and faster product customization based on market requirements; (ii) Assured offtake and optimum utilization of capacity of Transferor Company: The Transferee Company currently services a large and growing customer portfolio across machines, spares, inks, and printing. As a result of amalgamation, the existing customer base of the Transferee Company alone may utilize more than 50% of the existing production capacity of the Transferor Company, ensuring assured offtake of the products manufactured by the Transferor Company and optimum utilization of the manufacturing capacity of the Transferor Company; (iii) Enhanced market competitiveness and strong value proportion: The amalgamation will enable the Transferee Company to have control over the process of manufacturing ink including pre-existing/ in-house research and development, formulation expertise and process knowledge, and will result in enhanced market competitiveness and offering strong value propositions to the customers of the Transferor Company as well as the Transferee Company, with access to larger product portfolio including expansion to the global markets; (iv) Reduction in layers of entities: The amalgamation will result in simplification of the shareholding structure, reduction in shareholding tiers and demonstrate direct
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		<p>commitment of the promoters to the Transferee Company. It will consolidate the digital textile printing ecosystem under a single unified business platform; and</p> <p>(v) Economies of scale, synergies and other benefits: The amalgamation will also help in rationalization and standardization of the business process, economies of scale, corporate and administrative efficiencies, streamlining of operations to enable more efficient management, greater efficiency in cash management and access to cash flows generated by the combined business, control over the supply chain, reducing the multiplicity of legal and regulatory compliances, and reduction of costs, which would be beneficial for all stakeholders. Synergies that exist between the Transferor Company and the Transferee Company will also ensure optimum efficiency and reduce managerial overlaps towards their common advantage. The combined business operations will help value creation for all the stakeholders, thus, contributing to the overall growth prospects of the Transferee Company.</p>
	<p>In case of cash consideration – amount or otherwise share exchange ratio</p>	<p>There is no cash consideration involved in the Scheme.</p> <p>Upon the amalgamation of the Transferor Company with the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further act, deed, issue and allot on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members of the Transferor Company, on the Effective Date, in accordance with the terms of the Scheme and without any further application, act, deed, payment, consent, instrument or deed, in the following manner:</p> <p><i>“83 (eighty-three) fully paid-up equity shares of Rs.10/- each of the Transferee Company, credited as fully paid up, for every 100 (one hundred) fully paid equity shares of Rs.10/- each held by such shareholder or his/ her/ its heirs, executors, administrators or successors in the Transferor Company”.</i></p> <p>The above swap ratio has arrived based on valuation report dated December 1, 2025, issued by ‘Treu Valuation Services Private Limited’, an independent registered valuer, having Registration No. IBBI/RV-E/02/2023/181, and the fairness opinion dated December 1, 2025 issued by GYR Capital</p>

		Advisors Private Limited, an independent SEBI registered Category I merchant banker.				
Brief details of change in shareholding pattern (if any) of listed entity	Pursuant to the Scheme, the pre and post shareholding pattern of the Transferee Company will be as follows:					
	Pre- Scheme			Post- Scheme		
	Category	No. of Shares	% Holding	Category	No of Shares	% Holding
	Promoters & Promoters Group	1,69,81,048	68.88 %	Promoters & Promoters Group	1,82,52,691	67.24 %
	Non-Promoters	76,73,552	31.12 %	Non-Promoters	88,91,909	32.76 %
Total	2,46,54,600	100.00 %	Total	2,71,44,600	100.00 %	