

Greenlam/2021-22
August 28, 2021

**The Manager,
BSE Limited**
Department of Corporate Services
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Mumbai - 400 001
Fax No. 022-2272-3121/1278/1557/3354
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**The Manager,
National Stock Exchange of India Ltd.**
Exchange Plaza, Bandra Kurla Complex,
Bandra (E)
Mumbai - 400 051
Fax No. 022-2659-8237/8238/8347/8348
Email: cmlist@nse.co.in

BSE Scrip Code: **538979**

NSE Symbol: **GREENLAM**

Dear Sir/Madam,

Sub: OUTCOME OF BOARD MEETING PURSUANT TO REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), this is to inform you that Board of Directors of Greenlam Industries Limited ("**Company**") in their Meeting held on August 28, 2021, has *inter alia* considered, and approved the following:

1. Acquisition of 34,70,966 equity shares representing 74.91% of the voting share capital of HGIL Industries Limited ("**HGIL**") (*Formerly Himalaya Granites Limited*) at a price of ₹40.11 per equity share from Mr. Saurabh Mittal, Ms. Parul Mittal, Mr. Shiv Prakash Mittal and S.M. Safeinvest Private Limited (each a "**Seller**" and collectively the "**Sellers**"), who are part of the promoter and promoter group of HGIL ("**Proposed Acquisition**").
2. Execution of Share Purchase Agreement ("**SPA**") between the Company and the Sellers for the purpose of the Proposed Acquisition.
3. An open offer to be made for acquisition of the entire public shareholding of HGIL up to 11,62,602 equity shares of HGIL representing 25.09% of the voting share capital of HGIL at a price of ₹41.00 per equity share in terms of Regulations 3(1) and 4 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended, pursuant to the Proposed Acquisition ("**Open Offer**").



4. Issuance of a public announcement for the Open Offer in terms of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended.
5. Appointment of DAM Capital Advisors Limited (*Formerly IDFC Securities Limited*) as the Manager to the Open Offer.

Upon the consummation of the Proposed Acquisition and the Open Offer, the Company will acquire control over HGIL and HGIL will become a subsidiary of the Company.

In respect of the foregoing, relevant details as required under the Listing Regulations read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 are annexed herewith.

The Board Meeting started at 10.30 A.M. and concluded at 10.55 A.M.

This is for your information and record.

Thanking you,
Yours faithfully,

For **GREENLAM INDUSTRIES LIMITED**



PRAKASH KUMAR BISWAL
COMPANY SECRETARY &
VICE PRESIDENT - LEGAL



Encl: As above

Annexure

| Sr. No. | Particulars | Details | | | | | | | | | | | | | | | | | | | | |
|---------|--|--|------------------------|-------------------------------------|---------------------------|------------------------|----|--------------------|---------|--------|----|------------------|--------|-------|----|-------------------------|--------|-------|----|----------------------------------|-----|------------|
| a) | Name of the target entity, details in brief such as size, turnover etc. | <p>i. Name: HG Industries Limited (“HGIL”) (formerly Himalaya Granites Limited)</p> <p>ii. Share Capital Details: As of date, the authorized equity share capital of HGIL is ₹4,00,00,000/- divided into 80,00,000 equity shares of ₹5/- each. The issued, subscribed, and paid-up equity share capital of HGIL is ₹2,31,67,840/- Equity Shares of ₹5/- each.</p> <p>iii. Turnover of HGIL for the financial year ended March 31, 2021: ₹59.16 Lakhs</p> | | | | | | | | | | | | | | | | | | | | |
| b) | Whether the acquisition would fall within related party transaction(s) and whether the promoter / promoter group / group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms’ length” | <p>i. Yes, the said acquisition of HGIL is a related party transaction.</p> <p>ii. Following persons forming part of the promoter and promoter group of the Company hold equity shares in HGIL:</p> <table border="1" data-bbox="592 1075 1424 1432"> <thead> <tr> <th>Sl. No.</th> <th>Name of the promoter/promoter group</th> <th>No. of Equity Shares held</th> <th>% age of share holding</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Mr. Saurabh Mittal</td> <td>3389566</td> <td>73.15%</td> </tr> <tr> <td>2.</td> <td>Ms. Parul Mittal</td> <td>56,200</td> <td>1.21%</td> </tr> <tr> <td>3.</td> <td>Mr. Shiv Prakash Mittal</td> <td>25,000</td> <td>0.54%</td> </tr> <tr> <td>4.</td> <td>S. M. Safeinvest Private Limited</td> <td>200</td> <td>Negligible</td> </tr> </tbody> </table> <p>iii. Mr. Saurabh Mittal, Ms. Parul Mittal and Mr. Shiv Prakash Mittal, directors of the Company, form part of the promoter and promoter group of HGIL. In addition, S.M. Safeinvest Private Limited forms part of the promoter and promoter group of HGIL.</p> <p>iv. The price for the Proposed Acquisition has been determined by a qualified Chartered Accountant. The transaction is on arm’s length basis.</p> | Sl. No. | Name of the promoter/promoter group | No. of Equity Shares held | % age of share holding | 1. | Mr. Saurabh Mittal | 3389566 | 73.15% | 2. | Ms. Parul Mittal | 56,200 | 1.21% | 3. | Mr. Shiv Prakash Mittal | 25,000 | 0.54% | 4. | S. M. Safeinvest Private Limited | 200 | Negligible |
| Sl. No. | Name of the promoter/promoter group | No. of Equity Shares held | % age of share holding | | | | | | | | | | | | | | | | | | | |
| 1. | Mr. Saurabh Mittal | 3389566 | 73.15% | | | | | | | | | | | | | | | | | | | |
| 2. | Ms. Parul Mittal | 56,200 | 1.21% | | | | | | | | | | | | | | | | | | | |
| 3. | Mr. Shiv Prakash Mittal | 25,000 | 0.54% | | | | | | | | | | | | | | | | | | | |
| 4. | S. M. Safeinvest Private Limited | 200 | Negligible | | | | | | | | | | | | | | | | | | | |



| Sr. No. | Particulars | Details |
|---------|--|---|
| c) | Industry to which the entity being acquired belongs | HGIL currently does not have any manufacturing operations and is engaged in the activities of renting and/or leasing of immovable properties. Further, HGIL is exploring to venture into, all or any, of the business of manufacturing, marketing and trading of wood and paper-based products. |
| d) | Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity) | <p>HGIL currently does not have any manufacturing operations and is engaged in the activities of renting and/or leasing of immovable properties. Further, HGIL is exploring to venture into, all or any, of the business of manufacturing, marketing and trading of wood and paper-based products.</p> <p>The objective of the acquisition is setting up manufacturing facilities on the properties of HGIL and expansion of business of the Company. In addition, the Company may also consider disposing off the office space of HGIL. Further, the Acquirer may, subject to applicable law, also consider the merger of HGIL with Acquirer post the completion of the Open Offer and consummation of the Proposed Acquisition in terms of the SPA.</p> |
| e) | Brief details of any governmental or regulatory approvals required for the acquisition | None |
| f) | Indicative time period for completion of the acquisition | <p>Open Offer: Indicative date is November 23, 2021. This date may vary depending on the date of receipt of SEBI's comments on the draft letter of offer for the Open Offer.</p> <p>Proposed Acquisition: In terms of the SPA, the Company will acquire equity shares of HGIL held by the Sellers post the completion of the Open Offer within the time frame stipulated in the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended.</p> |
| g) | Nature of consideration whether cash consideration or share swap and details of the same | <p>Cash.</p> <p>Consideration for the Proposed Acquisition: ₹13,92,20,446.26/-</p> <p>Consideration for the Open Offer: Up to ₹4,76,66,682.00/-</p> |



| Sr. No. | Particulars | Details |
|---------|--|--|
| h) | Cost of acquisition or the price at which the shares are acquired | ₹40.11 per equity share |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired | <p>Proposed Acquisition: In terms of the SPA, the Company proposes to acquire 34,70,966 equity shares representing 74.91% of the voting share capital of HGIL and control of the HGIL.</p> <p>Open Offer: In terms of the Open Offer, the Company proposes to acquire entire public shareholding of up to 11,62,602 equity shares of HGIL representing 25.09% of the voting share capital of HGIL.</p> <p>Therefore, assuming the entire public shareholding is acquired through the Open Offer, the Company will acquire 100% voting share capital of HGIL.</p> <p>After the acquisition of the equity shares of HGIL through the Proposed Acquisition and the Open Offer, if the public shareholding in the HGIL falls below the minimum level required for continued listing under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (SEBI Listing Regulations) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (SCRR), then the Company will ensure compliance with the minimum public shareholding requirements in such manner and timelines stipulated under the SCRR, as per the requirements of Regulation 7(4) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended and, or, the SEBI Listing Regulations.</p> |



| Sr. No. | Particulars | Details | | | | | | | | | | | | | |
|-------------|--|--|----------------|---------------------------------|--------------------------|--|--|----------------|----------------|----------------|----------|-----------|-----------|-----------|-----------|
| j) | Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief) | <p>HGIL was incorporated on December 11, 1987 and has its registered office at Tindivanam, Tamil Nadu. HGIL currently does not have any manufacturing operations and is engaged in the activities of renting and/or leasing of immovable properties. A factory shed of HGIL has been let out to the Company on a monthly rent basis.</p> <p>Turnover of HGIL for the last 3 financial years on a standalone basis and for the quarter ended June 30, 2021 is set out below: (Amount in INR)</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th rowspan="2">For quarter ended June 30, 2021</th> <th colspan="3">For Financial Year ended</th> </tr> <tr> <th>March 31, 2021</th> <th>March 31, 2020</th> <th>March 31, 2019</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>15,30,000</td> <td>59,16,000</td> <td>58,11,250</td> <td>55,12,500</td> </tr> </tbody> </table> | Particulars | For quarter ended June 30, 2021 | For Financial Year ended | | | March 31, 2021 | March 31, 2020 | March 31, 2019 | Turnover | 15,30,000 | 59,16,000 | 58,11,250 | 55,12,500 |
| Particulars | For quarter ended June 30, 2021 | For Financial Year ended | | | | | | | | | | | | | |
| | | March 31, 2021 | March 31, 2020 | March 31, 2019 | | | | | | | | | | | |
| Turnover | 15,30,000 | 59,16,000 | 58,11,250 | 55,12,500 | | | | | | | | | | | |

For **GREENLAM INDUSTRIES LIMITED**



PRAKASH KUMAR BISWAL
COMPANY SECRETARY &
VICE PRESIDENT - LEGAL

