

# Money Control

## 13 December 2021

### Greenlam Industries board approves stock split in 5:1 ratio

Shares of the company had zoomed 18 percent on November 26 when the company said in a regulatory filing that it would consider stock split in a board meeting on December 13

MONEYCONTROL NEWS | DECEMBER 13, 2021 / 02:55 PM IST



Greenlam Industries board approves 5:1 stock split

Shares of [Greenlam Industries](#) steadied in trade on December 13 after the board approved a stock split in 5:1 ratio, which means every shareholder would get five shares for each share held.

The company said in a regulatory filing that the rationale behind the stock split was to encourage wider participation of retail investors by making the equity shares more affordable and to enhance the liquidity of equity shares.

A stock split refers to splitting the face value of shares, in which the number of shares of the company increases but the market cap stays the same. The existing shares are split after the process, but the underlying value remains unchanged. As the number of shares increases, the price-per-share goes down.

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After the split, Greenlam Industries will have 15 crore shares each of face value Re 1, as against 3 crore shares of face value of Rs 5.

It is expected to complete the stock split within three months.

In another regulatory filing, the company said, the board of its subsidiary Greenlam South Limited approved a proposal to set up a greenfield project for manufacturing particle board and allied products at its Nellore plant in Andhra Pradesh. It is expected to require an investment of Rs 600 crore and will be operationalised by the fourth quarter of FY24.

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It also approved a plan to enhance the capacity of the greenfield laminate project being set up at the plant from 1.5 million laminate sheets per board to 3.5 million laminate sheets per board annually, expected to be operationalised by FY23. It has raised its investment requirement for the capacity expansion to Rs 225 crore from Rs 175 crore announced earlier.

### Greenlam shares gain after board approves 5-for-1 stock split

Separately, the company informed that the board of its wholly-owned subsidiary Greenlam South has approved setting up a greenfield project for manufacturing of Particle Board at Nellore

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Greenlam Industries rose 1.34% to Rs 1,710 on Monday after the company's board approved a proposal of splitting each equity share of face value of Rs 5 into five equity shares of face value of Re 1 each.

Separately, the company informed that the board of its wholly-owned subsidiary Greenlam South (GSL) has approved setting up a greenfield project for manufacturing of Particle Board and allied products at Naidupeta, Nellore in Andhra Pradesh. The investment required for this project is Rs 600 crore and the plant would be operational by the fourth quarter of financial year 2023-24.

It has also approved enhancing the capacity of the greenfield laminate project being set-up at Naidupeta, Nellore in Andhra Pradesh from 1.5 million laminate sheets/board per annum to 3.5 million laminate sheets/board per annum. The investment required for the said capacity addition is Rs 225 crore and the plant would be operational by the fourth quarter of financial year 2022-23.

GSL would finance the aforementioned projects via a mix of debt and financial support from Greenlam Industries. The said investments are being done to cater to the growing demands in the domestic and international market.

Further, the board of directors of HG Industries (formerly Himalaya Granites) (HGIL), a subsidiary of Greenlam Industries, has approved to set up a greenfield project for manufacturing of Plywood and allied products at Tindivanam, Tamil Nadu. The investment required for this project is Rs 125 crore and the plant would be operational by the fourth quarter of financial year 2022-23.

HGIL would finance the above-stated project via a mix of debt and financial support from Greenlam Industries. The company is undertaking the said investment to cater to the growing demands in the domestic market.

Greenlam Industries provides high-quality surface solutions including brands like Decowood, Mikasa, NewMika, Greenlam Clads, Greenlam Sturdo and Greenlam.

On a consolidated basis, net profit of Greenlam Industries rose 12.14% to Rs 20.79 crore on 56.98% rise in net sales to Rs 454.17 crore in Q2FY21 over Q2FY20.

# Equitybulls

## 13 December 2021

### Greenlam Industries Ltd board approves stock split



Posted On : 2021-12-13 17:03:23(TIMEZONE : IST )



**Greenlam**  
Industries Limited

The Board of Directors of Greenlam Industries Ltd at their meeting held today i.e. Monday, December 13, 2021, has, considered and approved the Sub-division/Split of face value of Equity Shares of the Company having face value @ Rs. 5/- each to Re. 1/- each as per Section 61(1)(d) of the Companies Act, 2013, subject to the approval of the Members of the Company.

The Rationale behind the stock split is to encourage wider participation of retail investors by making the equity shares more affordable for them and to enhance the liquidity of equity shares of the Company in the Stock Markets.

Shares of Greenlam Industries Limited was last trading in BSE at Rs. 1688.50 as compared to the previous close of Rs. 1687.40. The total number of shares traded during the day was 9096 in over 1739 trades.

The stock hit an intraday high of Rs. 1764.00 and intraday low of 1655.00. The net turnover during the day was Rs. 15599903.00.

# Capital Market

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# 13 December 2021

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## Greenlam Industries gains after board approves 5-for-1 stock split

Dec 13, 2021 02:43 PM | Source: capitalmarket.com

Greenlam Industries rose 1.34% to Rs 1710 after the company's board approved a proposal of splitting each equity share of face value of Rs 5 into five equity shares of face value of Re 1 each.



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HGIL would finance the above-stated project via a mix of debt and financial support from Greenlam Industries. The company is undertaking the said investment to cater to the growing demands in the domestic market.

Greenlam Industries provides high-quality surface solutions that are designed to transform and beautify residential and commercial spaces. Its brands include Decowood, Mikasa, NewMika, Greenlam Clads, Greenlam Sturdo and Greenlam.

On a consolidated basis, net profit of Greenlam Industries rose 12.14% to Rs 20.79 crore on 56.98% rise in net sales to Rs 454.17 crore in Q2 September 2021 over Q2 September 2020.

# Capital Market

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Patricia Hou 13-12-2021

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