

India's Wipro shares fall on share sale to fund charity

March 13 2012

Shares in India's leading IT outsourcer Wipro fell 2.2 percent at one point Tuesday after its chairman, Azim Premji, said he will sell a 1.4 percent stake in the firm to fund charitable causes.

Wipro fell to 427.5 rupees before retracing to 430.95 rupees after Premji, the country's third richest man, said up to 35 million company shares would be auctioned to support education projects across India set up under his charitable trust.

The sale is expected to raise close to \$300 million.

The one-day auction will take place on Wednesday at the [Bombay Stock Exchange](#) and the National Stock Exchange, a statement late Monday said.

Premji set up the trust in December 2010, transferring 213 million Wipro shares to it, in order to fund rural education, teacher training and research across the country. The shares being sold are from the charitable trust's coffers.

Wipro retraced some of its losses to stand at 430.95 rupees, down 1.42 percent.

Premji has described providing good education in India as crucial to eradicating economic inequities in India.

Premji and his family currently own 79.15 percent of Wipro, through various units, including the trust.

Premji is the 41st richest in the world, according to [Forbes magazine](#), after he transformed a [cooking oil](#) company that he inherited into a [software giant](#).

The Wipro [share](#) sale, due to open at 9:15 am (0345 GMT) on Wednesday, comes after a sale by state-run oil explorer ONGC got a tepid response from investors, barely scraping through due to its high offer price.

(c) 2012 AFP

Citation: India's Wipro shares fall on share sale to fund charity (2012, March 13) retrieved 1 May 2024 from <https://phys.org/news/2012-03-india-wipro-fall-sale-fund.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.
