

Press Clipping

Publication : Business Line
Date : 14.02.2009
Edition : Mumbai
Page No. : 10

Reliance Infra unveils another buy-back plan

Targets Rs 700-cr worth stocks at Rs 700/share

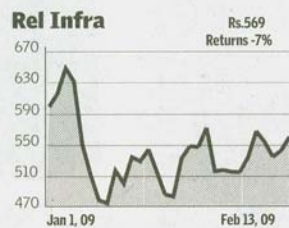
Our Bureau
Mumbai, Feb. 13

Reliance Infrastructure on Friday announced a share buy-back plan, just a week after it completed the first one.

The company said it would buy back shares worth Rs 700 crore from the open market at a maximum price of Rs 700 a share, a premium of 27 per cent to the current market price.

"The buy-back programme will remain open up to mid-April 2009, subject to regulatory approvals," the company said.

The proposed buy-back is expected to have a positive



impact on the company's stock price, contributing to maximisation of overall shareholder value, the company said in statement.

It will also lead to reduction in the outstanding number of equity shares, and consequently, an increase in earnings per share.

This is the second buy-back of shares by the company in the last one year. The first one, in which the company bought back 87.6 lakh shares for Rs 796 crore, was closed in the first week of this month.

The first plan was announced in last March for an amount not exceeding Rs 800.06 crore. In the last buy-back that was closed on February 6, the company purchased shares at a price not exceeding Rs 1,600.

"Reliance Infrastructure's diluted equity capital is Rs 227.77 crore and its market capitalisation is Rs 12,500 crore," the company release

added.

Reliance Infrastructure shares gained 3.51 per cent to close at Rs 569.30 on the BSE.

Promoters of the company hold 37.33 per cent stake in the company, according to the disclosures made to the BSE for the quarter ended on December 31.

Financial institutions, including foreign institutional investors, held 43.33 per cent stake in the company as on December 31.

At the BSE on Friday, shares of the company closed at Rs 569.30, gaining 19.30 per cent from Thursday's close of Rs 550.