

Shares of Indian units of Pfizer, Wyeth jump on merger approval

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Shares of the Indian units of US pharmaceutical firms Pfizer and Wyeth soared Monday, after the pair approved a merger plan which would create India's ninth largest drug company.

Pfizer India rose as much as 15 percent to a high of 1,648 rupees and Wyeth rose 20 percent to 976.95 rupees on the Bombay Stock Exchange.

The boards of both companies approved the merger on Saturday, which they said would lead to hiked market share and improved financial health for the new brand.

In 2009, Pfizer Inc acquired rival Wyeth globally for \$68 billion—but the merger was not completed in some countries, including India, where their Indian subsidiaries were listed separately.

Under the Indian merger plan, Wyeth shareholders will get seven shares of Pfizer for every 10 shares held. Pfizer India will issue approximately 15.9 million new equity shares to Wyeth shareholders.

Pfizer India's managing director Aijaz Tobaccowalla told reporters on Saturday that the merger would create a single Pfizer brand for the combined entity.

The merger process could take up to nine months to complete, company officials said, with several regulatory approvals still needed.

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