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## GlaxoSmithKline for bigger stake in India

By Mail Today Bureau  
in New Delhi

BRITISH medicine manufacturer GlaxoSmithKline has approached the Foreign Investment Promotion Board (FIPB) for increasing its stake in its Indian subsidiary by acquiring an additional 24.3 per cent stake for around ₹6,400 crore. According to sources, the proposal will be taken up by FIPB, headed by economic affairs secretary Arvind Mayaram, on January 10.

According to PTI, the Singapore subsidiary of the UK company proposes to buy 2.06 crore equity shares in GlaxoSmithKline Pharmaceuticals Ltd through an open offer.

The holding of the promoter Group companies in the Indian

subsidiary will go up to 75 per cent from 50.67 per cent once the proposal is cleared. The offer is scheduled to remain open between February 7 and February 21.

GlaxoSmithKline Pharmaceuticals is already majority owned and controlled by the GSK Group. There the proposed transaction will not result in any change in control of the Indian arm, sources said. The acquisition would result in foreign exchange inflow to the tune of ₹6,400 crore, they added.

As per the FDI policy, foreign direct investment up to 100 per cent is permitted in brown field investment (investment in Indian companies) in the pharma sector subject to FIPB approval.

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