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Eris Lifesciences avails term loan facility of Rs400cr from Axis Bank to finance the acquisition of domestic formulation business containing brands/ trademarks/ assets of Strides Shasun Ltd.

The term loan is sanctioned by the bank through term loan agreement and deed of hypothecation November 30, 2017. The term loan is fully secured and charge is created on the fixed and current assets of the company including brands and trademarks being acquired in the transaction.

The company had announced on November 18, 2017, acquisition of Strides' India branded generic business by entering into a definitive agreement. The aggregate cash consideration for the acquisition is Rs 500cr. The acquisition made by Eris Lifesciences consists of a portfolio of 130+ brands in the domains of Neurology, Psychiatry, Nutraceuticals, Gastro etc. along with employees forming part of the business.

As per the terms of the agreement, Eris Lifesciences will acquire the marketing and distribution rights for the said portfolio of products in India while Strides will retain the global rights for these products. The Indian branded generics business being divested by Strides had sales of Rs181cr in FY 2017.