



सत्यमेव जयते



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2021/07/851)

9<sup>th</sup> August 2021

**Notice under Section 6(2) of the Competition Act, 2002 jointly given by Lighthouse India Fund III, Limited and Lighthouse India III Employee Trust**

**CORAM:**

Mr. Ashok Kumar Gupta  
Chairperson

Ms. Sangeeta Verma  
Member

Mr. Bhagwant Singh Bishnoi  
Member

**Order under Section 31(1) of the Competition Act, 2002**

1. On 13<sup>th</sup> July 2021, the Competition Commission of India (**'Commission'**) received a notice under Section 6(2) of the Competition Act, 2002 (**'Act'**), jointly given by Lighthouse India Fund III, Limited (**'Fund III'/'Acquirer 1'**) and Lighthouse India III Employee Trust (**'Lighthouse Employee Trust'/'Acquirer 2'**) [Hereinafter collectively referred to as **'Acquirers'**]. The notice was filed pursuant to the execution of Share Subscription Agreement (**'SSA'**) dated 29<sup>th</sup> June 2021 by and between the Acquirers and Bikaji Foods International Limited (**'Bikaji'/'Target'**) [Hereinafter, Acquirers and Target are collectively referred to as **'Parties'**].



2. The proposed combination relates to the acquisition of 2.697% and 0.03% of the total share capital of the Target by Acquirer 1 and Acquirer 2 respectively by way of share subscription (**‘Proposed Combination’**).
3. Acquirer 1 is a private equity fund sponsored by Lighthouse Funds, LLC (**‘Lighthouse Funds’**), a US-based private equity firm that acts as a sponsor and controls private equity funds that make investments in consumer companies in India.
4. Acquirer 2 is a trust settled in India formed for the benefit of certain employees of Lighthouse Funds. Acquirer 2 makes investments alongside Acquirer 1 based on investment decisions taken by Acquirer 1 as per an existing co-investment agreement between Acquirer 1 and Acquirer 2.
5. Bikaji, a private limited company incorporated in India, is engaged in the manufacture and sale of snacks such as bhujia, namkeen, papad, chips, sweets and cookies. Bikaji’s products are sold in India and also exported to countries like Australia, US, Singapore and Mauritius. Bikaji also runs two retail outlets under the name ‘Bikaji Food Junxon’ in Mumbai, which also offer the services of a quick service restaurant (**‘QSR’**).
6. Lighthouse Funds currently holds 7.472% equity shareholding in the Target through one of its private equity funds (**‘Maharaja Fund’**). Lighthouse Funds currently has and will continue to have the right to nominate one director to the board of directors of the Target, along with certain affirmative rights. Pursuant to the Proposed Combination, equity shareholding of Lighthouse Funds and Acquirer 2 in Target would collectively increase from 7.472% to 9.995% on a fully diluted basis. As submitted, Acquirer 1 and Maharaja Fund will also obtain the right to appoint one observer to the board of Bikaji.



7. As regards the horizontal overlaps resulting from the Proposed Combination, the Commission noted that one of the portfolio companies of Lighthouse Funds, viz., Wow Momo Foods Private Limited (**‘Wow Momo’**), runs a chain of QSR restaurants across India, which may exhibit overlaps with the activities of Bikaji Food Junxon in the overall QSR segment. The Commission observed that the Target has a limited presence in the QSR segment, as reflected in the number and nature of outlets of Bikaji Food Junxon. Considering the same, the Commission is of the opinion that the Proposed Combination is not likely to cause an appreciable adverse effect on competition in any of the plausible relevant markets that could be delineated, and accordingly, the delineation of the relevant market can be left open.
8. As regards vertical relationships, the Commission noted that one of the portfolio companies of Lighthouse Funds, viz., FSN E-Commerce Private Limited (**‘Nykaa’**), is an e-commerce platform primarily for cosmetic products as well as products such as protein and energy bars, breakfast cereals and other health foods under the category of ‘Health and Wellness’. The Acquirers stated that there is no actual or potential vertical link between Bikaji and Nykaa considering the product offerings and distribution channels of Bikaji. The Commission is of the opinion that any potential link between Nykaa and Bikaji is likely to be insignificant to cause any change in competition dynamics.
9. Considering the material on record, including the details provided in the Notice and the assessment of the Proposed Combination based on the factors stated in Section 20(4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have any appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
10. This order shall stand revoked if, at any time, the information provided by the Acquirers is found to be incorrect.



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11. The information provided by the Acquirers shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
12. The Secretary is directed to communicate to the Acquirers accordingly.