



COMPETITION COMMISSION OF INDIA

(Comb. Regn. No. C-2025/08/1311)

8th September 2025

Notice under Section 6(2) of the Competition Act, 2002 given by Kedaara II Continuation Fund

Order

1. On 4th August 2025, the Competition Commission of India (**Commission**) received a notice (**Notice**) under Section 6(2) of the Competition Act, 2002 (**Act**), given by Kedaara II Continuation Fund (**Acquirer**) in relation to the proposed acquisition of 1.64% equity shareholding (on a fully diluted basis) in Lenskart Solutions Limited (**Lenskart**) from Kedaara Norfolk Holdings Limited (**Seller 1**) and Kedaara Capital Fund II LLP (**Seller 2**) to the Acquirer (**Lenskart Transaction**). For the purposes of the Lenskart Transaction, a Sale and Purchase Agreement dated 31st July 2025 has been executed amongst the Acquirer, Lenskart, Seller 1 and Seller 2 (**Lenskart SPA**).
2. During the course of review of the Notice, the Acquirer also notified proposed acquisition of shares of Care Health Insurance Limited (**Care**), held by Trishikhar Ventures LLP (**Trishikhar**) to the Acquirer (**Care Transaction**) as a transaction inter-connected to the Lenskart Transaction. For the purposes of Care Transaction, a Sale and Purchase Agreement dated 28th August 2025 has been executed between Trishikhar and the Acquirer. (**Care SPA**).
3. As submitted, Seller 1, Seller 2, Trishikhar, and the Acquirer are all under the sole control of the Kedaara Group [comprising Mr. Manish Kejriwal, Mr. Sunish Sharma, and Mr. Nishant Sharma (acting collectively, "**Member Team**") along with Member Team's controlled, advised and/or managed entities]. Further, it has been clarified that pre and post the Lenskart Transaction and Care Transaction, no person or entity would have any control or material influence over Lenskart and Care respectively, other than the Kedaara Group. Also, as clarified, the Kedaara Group will not acquire any new rights in Lenskart and Care following the Lenskart Transaction and Care Transaction respectively.



4. As a part of the Notice, the Acquirer had submitted that the Notice is being filed purely as a matter of technical compliance, owing to the absence of any specifically applicable exemption in relation to intra-group restructurings under the Competition (Criteria of Exemption of Combination) Rules, 2024 (**Exemption Rules**). Noting the same, *vide* letter dated 14th August 2025, issued under Regulation 14 of The Competition Commission of India (Combinations) Regulations, 2024 (**Combination Regulations**), the Acquirer was, *inter alia*, asked to further clarify on the aspect of applicability of Exemption Rules to the notified transaction(s).

5. The Acquirer made submissions on applicability of Rule 3 of Exemption Rules to the notified transaction(s). As submitted, it determined that Rule 3 of the Exemption Rules is applicable to transactions involving the “...*acquisition of additional shares or voting rights of an enterprise by the acquirer or its group entities, where the acquirer or its group entities, prior to acquisition, holds shares or voting rights of the enterprise, but does not hold more than twenty-five per cent of the shares or voting rights of the enterprise, either prior to or after such acquisition.*”. Considering the same, the Acquirer further submitted that the “Literal Rule” (or the plain-meaning rule) requires that statutory provisions should be interpreted in their ordinary, literal and grammatical sense, irrespective of the outcome of such interpretation. Further, the principle of *ejusdem generis* requires that when general words follow specific words, the general words should be restricted by the scope of the specific words. Accordingly, it was stated that a reading based on the application of the above principles of statutory interpretation suggests that Rule 3 of the Exemption Rules is applicable only in instances involving the acquisition of additional (or incremental) shareholding, and not otherwise. In the context of application of the same to notified transaction, it was stated that the notified transaction(s) do not involve any incremental acquisition (*i.e.*, acquisition of additional shares) and rather, the same shareholding is simply being transferred within the Kedaara Group, therefore, on a strict reading of Rule 3 of the Exemption Rules, the notified transactions would not benefit from the prescribed exemption.

6. The Commission observed that literal interpretation in terms of acquisition of “additional shares” being eligible for exemption and absence of “incremental shareholding” (which is



definitely at a lower pedestal) not being eligible for exemption is inconsistent with the scheme and spirit of the Act and Exemption Rules and would, therefore, lead to an apparent fallacy in situations where all the conditions contained in Rule 3 are otherwise fulfilled. Considering the aforesaid submissions of the Acquirer regarding the aspect of control, rights, extent of shareholding of Kedaara Group in Lenskart and Care pre and post Lenskart Transaction and Care Transaction, the Commission observed that the Lenskart Transaction and Care Transaction are eligible for exemption under Rule 3 of the Exemption Rules and accordingly do not require notice to the Commission under Section 6(2) of the Act.

7. The Commission also considered the aspect of inter-connectedness of Lenskart Transaction and Care Transaction and decided to leave the question of inter-connectedness open as both the transactions are exempt under Rule 3 of the Exemption Rules on a standalone basis as well.
8. The Secretary is directed to communicate this order to the Acquirer, accordingly.