

A Review of Key Developments in India's Merger Control Regime: 2024 - 2025

I. INTRODUCTION

The Indian merger control regime has witnessed a significant overhaul since late 2024, with the introduction of several amendments to the Competition Act, 2002 (the "**Competition Act**") along with certain new regulations. In the past two years, India's merger control regime has seen several changes including:

- the introduction of a 'deal value' threshold (the "**DVT**") based on which transactions need to be approved by the Competition Commission of India (the "**CCI**");
- changes to existing exemptions to approval requirements;
- changes to the criteria for assessment of 'overlaps'; and
- changes to the concept of 'control'.

Further, on May 20, 2025, the CCI also issued a revised version of the Frequently Asked Questions on combinations (the "**FAQs**") providing detailed clarifications on the changes to the existing regime.

Between late 2024 (when the amendments to the Indian merger control regime began to be enforced) and the end of 2025, the CCI has approved a total of 162 combination notifications, with approximately 12.36% of all combination notices before the CCI being notified pursuant to the DVT.

Set out below is a comprehensive primer on the key changes in India's merger control laws between 2024 and 2025, and the way forward for future merger control assessments.

II. INTRODUCTION OF DEAL VALUE THRESHOLDS

The Competition Act provides for approval of mergers and acquisitions by the CCI where the parties to such transactions exceeded certain asset and turnover thresholds (subject to certain exemptions).

Similar to competition law regimes in other jurisdictions such as the US and Germany, in 2024, an additional DVT was introduced in the Competition Act, providing for an approval requirement for transactions where (i) the aggregate consideration for the transaction (including inter-connected transactions, as applicable) exceeds **INR 20 billion (approximately USD 221.20 million) (“Deal Value”)**, **and** (ii) the target has substantial business operations in India (“SBOI”).

It has been clarified that the *de minimis* exemption (which exempts transactions where the target has assets or turnover below certain specified thresholds) is not applicable to transactions that require approval pursuant to the DVTs.

Accordingly, large-value transactions with a significant India-nexus require the approval of the CCI, irrespective of the target’s assets and turnover value.

What does ‘Deal Value’ include?

The ‘deal value’ of a transaction includes **every valuable consideration**, whether direct or indirect, immediate or deferred, cash or otherwise, including but not limited to the consideration payable for a transaction (or, in aggregate for a series of inter-connected transactions, if applicable).

While transaction documents typically indicate the consideration payable for a transaction, it is important to consider whether in addition to the specified consideration, there are other values which need to be added to compute Deal Value, for example, amounts payable (any time within 2 years from which the transaction would come into effect) for:

- technological assistance;
- licensing of intellectual property rights or the right to use any product, service or facility;
- supply of raw materials or finished goods; or
- branding and marketing.

Further, the Competition Commission of India (Combinations) Regulations, 2024 (“**Combination Regulations**”) clarify that in the absence of a definitive Deal Value in

the transaction documents, the consideration as determined or estimated by the board of directors or the relevant authority is to be considered as the Deal Value for the combination. In the event such a value is not available, the transaction will be deemed to have breached the DVT.

Since the introduction of the DVT in September 2024, there has been a notable surge in transactions that have been notified to the CCI. As of December 31, 2025, 12.36% of all combination filings before the CCI have been made pursuant to the DVT.

When is a target considered to have ‘Substantial business operations in India’?

The target will be considered to have SBOI if:

1. its **turnover**¹ during the preceding financial year in India is **10% or more of its total global turnover** derived from all products and services, **and** more than **INR 5 billion**; **or**
2. its **‘gross merchandise value’**² in India for the twelve months preceding the date of execution of the binding transaction documents is 10% or more of its total global gross merchandise value, **and** more than **INR 5 billion**; **or**
3. for **digital services**³ provided, the number of its business users⁴ or end users⁵ in India constitute 10% or more of the target’s total global number of such users.

III. RECENT CHANGES TO THE CONCEPT OF CONTROL

The concept of ‘control’ is central to the Competition Act, relevant to determining whether a transaction triggers approval requirements, and qualifies for exemptions which include acquisition or change in control as a threshold. At a more fundamental level, competition law analysis is required only where there is a change in control over

¹ The Competition Act defines ‘turnover’ as the turnover which has been certified by the statutory auditor on the basis of the last available audited accounts of the company in the financial year immediately preceding the financial year in parties notify a transaction. Such turnover in India is determined by excluding intra-group sales, indirect taxes, trade discounts and all amounts generated through assets or business from customers outside India, as certified by the statutory auditor.

² ‘Gross merchandise value’ means cash, receivables, or other consideration either for or facilitating, sale of goods and/ or provision of services, by an enterprise, on its own or as an agent or otherwise.

³ Digital service means the provision of a service or one or more pieces of digital content, or any other activity by means of an internet whether for consideration or otherwise to the end user or business user, as the case may be.

⁴ Business user means any natural or legal person supplying or providing goods or services, including through the use of digital services.

⁵ End user means any natural or legal person using digital services other than as a business user, for informational or transactional purpose.

any enterprise – whether this is by way of an acquisition of control or change in terms of degree or quality of control.

Over the years, the CCI has, through its decisional practice broadened the contours of what constitutes ‘control’, transitioning from the concept of ‘decisive influence’ to the more expansive concept of ‘material influence’. Specifically, in 2018, in a combination order⁶ the CCI recognized ‘material influence’ as the threshold of control under India’s competition regime, specifying a combination of factors as constituting ‘material influence’ including: shareholding, special rights, status and expertise of an enterprise or person, board representation, structural or financial arrangements.

Pursuant to the recent amendment to Section 5 of the Competition Act, the definition of ‘control’ has now been formally expanded to include “*the ability to exercise material influence in any manner whatsoever over the management or affairs or strategic commercial decisions” of an enterprise.⁷*

In the amended FAQs, the CCI has further clarified the concept of ‘control’, stating that this may be inferred from:

- the extent of shareholding or voting rights (with a holding of more than 25% creating a presumption of control);
- affirmative rights relating to the operational position of an enterprise (including appointment or removal of senior management, approval of budget and business plans, rights relating to research and development, day-to-day management, etc.);
- consultation rights (i.e., the right of certain individuals/ entities to be consulted before certain decisions are taken by the enterprise);
- the ability to participate in management and affairs of an enterprise; and
- other *de facto* operational mechanisms, in the absence of explicit provisions, which confer control over the day-to-day functioning or decision-making process of an entity.

As a guiding principle, the FAQs indicate that rights relating to the operational functioning of an enterprise will generally be regarded as ‘commercially strategic’. The existence of *de facto* control, even in the absence of express contractual provisions, will be determined on a case-by-case basis. An illustrative example offered by the CCI

⁶ UltraTech Cement Limited, Combination Registration No. C-2015/02/246, order dated March 12, 2018, available [here](#).

⁷ Please see Section 6 of the Amendment Act, available [here](#).

is the position of individuals whose expertise or standing may allow them to significantly influence decision-making or strategic affairs, thereby potentially constituting control.⁸

The FAQs also provide examples of rights which would ordinarily not be viewed as conferring control, including:

- information rights;
- tag-along rights;
- anti-dilution rights;
- contractually agreed exit rights;
- rights to ensure that investment amounts are used in accordance with agreed terms or business plans;
- transfer restrictions enumerated in agreements

Change in control

The CCI has further clarified that the term ‘change in control’ does not merely refer to a change from joint to sole control or vice-versa, but may also refer to changes from joint-to-joint control based on a change in the ‘quality of control’ or ‘degree of control’.⁹

The CCI has clarified that changes in the ‘degree of control’ may be inferred based on: (i) change in shareholding in terms of shareholding thresholds, (ii) substantial change in rights from negative to positive control, (iii) change in control caused by the exit of an existing controlling shareholder or entry of a new controlling shareholder, etc.

On the other hand, a change in the ‘quality of control’ refers to a change in controlling arrangements between the same set of shareholders, within the same shareholding thresholds (which are relevant for an inference of control).

IV. CLARIFICATIONS ON ‘COMMERCIALLY SENSITIVE INFORMATION’

‘Commercially sensitive information’ (“**CSI**”) is a concept that is relevant not only to determining violations of the Competition Act relating to information sharing, but also

⁸ Please see queries 16 and 17 of the FAQs, available [here](#).

⁹ Please see queries 21 and 22 of the FAQs, available [here](#).

to the kind of information that may be exchanged in the context of analysis of and execution of a 'combination', as well as degree of control over an enterprise.

The FAQs provide an illustrative (non-exhaustive) list of types of information which should be considered as CSI:

1. Prices, pricing, costs, profit margins;
2. Capacity utilization, production, output, quantity, quality;
3. Sales, market shares, territories of operations, specific terms with customers, and customer lists;
4. Variety or innovation, pipeline products;
5. Technology, research and development, trade secrets and intellectual property;
6. Strategic plans (including marketing strategy, promotion plans, plans to enter or exit markets), risks, investments, current operating and future business plans;
7. Budget or annual business plan, and minutes of meetings.

The CCI has also clarified that the following would not be considered CSI:

1. Unaudited or audited financial statements prepared in terms of general accounting standards;
2. Information available to an ordinary shareholder, historic information which is not typically considered by the management in commercial decision making;
3. Information disclosed in the public domain or otherwise readily available through appropriate means;
4. Information which cannot be linked to a specific company; and
5. Ownership structure.

V. EXEMPTIONS UNDER THE NEW EXEMPTION RULES

Under the erstwhile Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 ("**Erstwhile Combination Regulations**"), certain categories of transactions were exempt from notification requirement to the CCI.¹⁰ Further to the introduction of the Competition

¹⁰ Please see schedule I of the Erstwhile Combination Regulations, available [here](#).

(Criteria for Exemption of Combinations) Rules, 2024, (“**Exemption Rules**”), certain key exemptions were amended as follows:

Schedule I of the Erstwhile Combination Regulations	Exemption Rules
Acquisition of shares / voting rights in the ordinary course of business	
<p>Exempt, provided the acquisition:</p> <ol style="list-style-type: none"> 1. does not result in the acquirer holding 25% or more shares or voting rights in the target(s); and 2. does not lead to an acquisition of control in the targets(s). <p>Acquisitions by underwriters and stock brokers in the ordinary course of business separately benefitted from the exemption under the Erstwhile Combination Regulations.</p>	<ol style="list-style-type: none"> 1. Exempt, provided such acquisition by a registered underwriter or stock broker does not exceed 25% of shares or voting rights in the target(s). 2. Exempt, provided such acquisition by a registered mutual fund does not exceed 10% of shares or voting rights in the target(s).
Acquisitions made solely as an investment	
<p>Exempt, provided the acquisition:</p> <ol style="list-style-type: none"> 1. does not result in the acquirer holding 25% or more shares or voting rights in the target(s); and 2. does not lead to an acquisition of control in the targets(s). <p>A transaction shall be deemed to have been made solely as an investment provided the acquirer:</p> <ol style="list-style-type: none"> 1. acquires less than 10% of the shares or voting rights of the target(s); 2. has the ability to exercise rights which are only exercisable by ordinary shareholders of the target(s) to the extent of their respective shareholding; 3. is neither a member of the board of the target(s) nor has the right or intention to nominate a director to the board of the target(s); and 4. does not intend to participate in the affairs or management of the target(s). 	<p>Exempt, provided:</p> <ol style="list-style-type: none"> 1. the acquisition does not result in the acquirer holding more than 25% of the total shares or voting rights in the target(s); 2. the acquisition does not lead to an acquisition of control; 3. the acquisition does not lead to the acquisition of the right or ability to appoint a director or observer seats, or access to CSI; and 4. there are no horizontal, vertical or complementary overlaps between the acquirer or its group entities/affiliates on the one hand and the target and its downstream affiliates on the other. 5. Even if there are any overlaps between the acquirer group (or their affiliates) and the target or its downstream affiliates, such acquisition will be deemed to have been made solely as an investment, provided: (a) the acquisition does not result in the acquirer holding 10% or more of the shares or voting rights of the target; and (b) the remaining conditions from (1) to (3) above are fulfilled.

Schedule I of the Erstwhile Combination Regulations	Exemption Rules
Incremental acquisitions	
<p><u>Incremental acquisitions (with the total shareholding / voting rights not exceeding 25% either prior to or post-acquisition):</u> Not covered under Erstwhile Combination Regulations.</p>	<p><u>Incremental acquisitions (with the total shareholding / voting rights not exceeding 25% either prior to or post-acquisition):</u> Exempt, provided the acquirer or its group entities do not acquire:</p> <ol style="list-style-type: none"> 1. control; 2. the right or ability to appoint a director or an observer for the first time; and/or 3. the right or ability to access to CSI for the first time, except where the acquirer or its group entities already have the right or ability to appoint a director on the board of the target(s). <p>*In case of any horizontal, vertical and/or complementary overlaps between the acquirer group and its affiliates, and the target(s) and its downstream affiliates, an incremental acquisition (or series of incremental acquisitions, as applicable) not exceeding 5%, would be exempt, provided the shareholding or voting rights of the acquirer or its group entities do not increase from below 10% to 10% or more in the target(s).</p>
<p><u>Incremental acquisition by the acquirer or its group entities resulting in an increase in the total shareholding/voting rights from 25% or more to less than 50%:</u> Exempt, provided it does result in acquisition of sole or joint control by the acquirer or its group.</p>	<p><u>Incremental acquisition by the acquirer or its group entities resulting in an increase in the total shareholding/voting rights from more than 25% to 50% or less:</u> Exempt, provided there is no change in control.</p>
<p><u>Incremental increase from 50% or more:</u> Exempt, provided there is no change from joint to sole control.</p>	<p><u>Incremental acquisition where the acquirer or its group entities held 50% or more shares/voting rights in the target(s) both prior to and subsequent to the acquisition:</u> Exempt, provided there is no change in control.</p>
Acquisition of shares pursuant to a bonus issue/ stock splits/ consolidation/ buy back/ rights issue	
<p>Exempt, provided there is no acquisition of control.</p>	<p>Exempt, provided there is no change in control.</p>

Schedule I of the Erstwhile Combination Regulations	Exemption Rules
Intra-group acquisitions	
<p>Exempt, except where the target is jointly controlled by entities that are not part of the same group.</p> <p><u>Note:</u> This exemption was applicable to acquisitions of shares, voting rights and assets.</p>	<p>Exempt, provided there is no change in control.</p> <p><u>Note:</u> Only intra-group asset acquisitions are exempt – there is no corresponding blanket exemption for intra-group acquisitions of shares / voting rights. Such transactions may now be evaluated against the other available exemptions.</p>
Intra-group merger or amalgamation	
<p>Exempt, where:</p> <ol style="list-style-type: none"> 1. one of the merging/ amalgamating entities holds more than 50% shares or voting rights of the other entity, or if more than 50% shares of each of the merging / amalgamating entities are held by the same group; and 2. There is no change from joint to sole control. 	<p>Exempt, provided there is no change in control.</p>
Demergers	
<p>Not applicable.</p>	<p>Exempt, provided shares issued by the resulting company in consideration for the demerger (either to the demerged company or shareholders of the demerged company) are in the same proportion as their shareholding in the demerged company prior to the demerger (except for discharge of consideration of fractional shares).</p>

VI. CLARIFICATIONS REGARDING INTER-CONNECTED TRANSACTIONS

The CCI has also issued certain much needed clarifications in relation to ‘inter-connected’ transactions, which are typically required to be notified to the CCI in a single notice. This includes transactions which may otherwise benefit from one or more exemptions on a standalone basis but require notification to the CCI on account of them being ‘inter-connected’ to one or more notifiable transactions.

In relation to inter-connected transactions, the CCI has clarified as follows:

Determination of 'Inter-connection' in cases of multiple investors for a single target

With respect to determination of inter-connected transactions, the CCI has clarified that where multiple investors are investing in an entity, the key factor for determination of whether such investments are inter-connected is to test if there is an 'inter-se meeting of minds,' i.e., a mutual understanding with respect to the decision to invest. Such an understanding may be inferred from:

- simultaneity in investment
- common agreements,
- mutual interdependence or conditionality,
- functional links and
- internal considerations of investors.

The CCI has further clarified that having separate agreements would not alone be enough to conclude a lack of inter-connection if the investments are mutually conditional. Similarly, simultaneous investments which are inextricably functionally linked to each other (e.g., one cannot take place without the other) or economically dependent on another will be considered inter-connected.

Notifying parties

The CCI has clarified that all acquirers to inter-connected transactions need to be notifying parties in a single notice.

However, if one of the inter-connected transactions is eligible for any standalone exemptions under the Exemption Rules, information regarding 'overlaps' is not required to be provided in the Notice (the CCI may, of course, request such information in the course of its assessment if required).

VII. OPEN OFFERS AND ACQUISITIONS ON STOCK EXCHANGES

Under the newly introduced Section 6A of the Competition Act, open offers, and acquisitions of shares or convertible securities on a regulated stock exchange ("**Open Market Purchases**"), can now be consummated prior to receipt of the approval of the CCI, subject to the following conditions:

-
1. the notice of such an acquisition must be filed with the CCI within 30 days from the date of the first acquisition of such shares;
 2. the acquirer must not exercise any ownership or beneficial right or interest in such shares or convertible securities, until the CCI approves such acquisition. However, the acquirer may avail economic benefits such as dividend or any other distribution, subscription to rights issue, bonus shares, stock-splits and buy-back of securities, and exercise voting rights only in matters relating to liquidation and/or insolvency proceedings; and
 3. the acquirer (including its group entities¹¹ and affiliates) does not directly or indirectly, influence the target enterprise, in any manner.¹²

In addition to the above, the FAQs clarify that a preferential allotment is not covered within the exemption provided to open market purchases since a preferential allotment is in the nature of a primary acquisition, where fresh shares are allotted by the company on a preferential basis.¹³

VIII. OVERLAPS ASSESSMENT

Under the previously issued Notes to Form-I, the CCI had issued a guidance on the assessment of horizontal, vertical and/or complementary overlaps by prescribing certain materiality thresholds for the identification of the affiliates of the acquirer(s) and target(s)/ merging parties. The identification of such affiliates allowed notifying parties to demarcate the outer perimeter within which such overlaps were required to be mapped. In the event that overlaps existed between the acquirer group (and its affiliates) and the target group (and its affiliates), parties were required to file either a Form-I notification, or a Form-II notification (i.e., where the horizontal overlaps exceeded 15% and/or, the vertical overlaps exceeded 25%). In the absence of such overlaps, however, parties could opt to file a short form notification through the 'green channel' route, which would allow parties to receive deemed approval for their proposed transaction(s) on the date of acknowledgment of the filing of the notification.

¹¹ The Competition Act states that 'group' means two or more enterprises which, directly or indirectly, are in a position to - (i) exercise twenty-six per cent or more of the voting rights in the other enterprise; or (ii) appoint more than fifty per cent of the members of the board of directors in the other enterprise; or (iii) control the management or affairs of the other enterprise.

¹² Please see the proviso to Regulation 6(b) of the Combination Regulations, available [here](#).

¹³ Please see query 165 of the FAQs, available [here](#).

Pursuant to the introduction of the Exemption Rules, the threshold for identification of ‘affiliates’ for the purpose of mapping horizontal, vertical and/or complementary overlaps has been revised as follows:¹⁴

Previous Materiality Thresholds	Revised Affiliate Test
1. direct or indirect shareholding of 10% or more; or	1. 10% or more of the shareholding or voting rights of the enterprise; or
2. a right or ability to nominate a director or observer in another enterprise(s); or	2. right or ability to have a representation on the board of directors of the enterprise either as a director or as an observer; or
3. a right or ability to exercise any right (including any advantage of commercial nature with any of the party or its affiliates) that is not available to an ordinary shareholder.	3. right or ability to access CSI of the enterprise.

Accordingly, under the revised test for determination of affiliates, an enterprise is considered as an ‘affiliate’ of another not only based on shareholding or board representation, but also if the latter holds the right or ability to access CSI of the other enterprise (please see Section 0 above on clarifications in relation to CSI).

IX. APPROVAL TIMELINES

By way of the recent amendments to the Competition Act, approval timelines have now been abridged and the CCI is required to provide a *prima facie* opinion within 30 calendar days from the date of receipt of the notice (instead of 30 working days), failing which, such combination would be deemed to have been approved by the CCI.

Additionally, the overall timeframe within which the CCI must decide a combination has been reduced from 210 days to 150 days, further streamlining the approval process. This reduction in both the initial and overall timelines is likely to facilitate faster merger clearance, making the system more efficient. On average, since the introduction of the new regime, the CCI has taken approximately 49 days to approve Form-I notifications and approximately 82 days to approve Form-II notifications.

These amendments reflect a growing focus on improving efficiency within the competition law framework in India, ensuring that transactions are evaluated in a timely manner, without delays or ambiguity.

¹⁴ Please see Rule 3(2)(b) of the Exemption Rules, available [here](#).

X. TARGET EXEMPTION

In the first half of 2024, the thresholds for the *de minimis* exemption (i.e., the exemption applicable to targets/ merging entities with insignificant asset and turnover values) were increased, such that a transaction would not require notification to the CCI provided that either:

1. the value of assets being acquired, taken control of, merged or amalgamated is not more than **INR 4.5 billion in India** (from an earlier threshold of **INR 3.5 billion in India**) or
2. the turnover of the target (i.e., the enterprise whose control, shares, voting rights or assets are being acquired) or the turnover attributable to the assets being acquired, taken control of, merged or amalgamated (as applicable), is not more than **INR 12.5 billion in India**¹⁵ (from an earlier threshold of **INR 10 billion in India**).

XI. APPOINTMENT OF MONITORING AGENCY

The Competition Commission of India (General) Regulations, 2024 (“**General Regulations**”) which have significantly revamped the erstwhile Competition Commission of India (General) Regulations, 2009, introduce a formal provision regulating the procedure for the CCI to appoint a monitoring agency for the implementation of post-approval remedies in accordance with the CCI’s directions. The General Regulations stipulate that such an agency be selected independently of the parties involved in the transaction, free of any conflicts of interest with such parties. Such agencies could include accounting firms, management consultancies, professional organizations, chartered accountants, company secretaries, or cost accountants.¹⁶

The General Regulations further specify the role and responsibilities of a monitoring agency such as: (a) monitoring the implementation of remedies and reporting any non-implementation thereof; (b) adequately disclosing any pecuniary interests held by it, which may prejudice the performance of its duties; and (c) providing periodic reports to the CCI on the parties’ compliance with the modifications. These reports are generally submitted on an annual basis or at specified intervals. The appointed agency is required to maintain confidentiality and adhere to the terms set by the CCI while

¹⁵ Please see gazette notification dated 7 March 2024, available [here](#).

¹⁶ Please see Regulation 54 of the General Regulations, available [here](#).

fulfilling its duties. The parties to the transaction are supposed to bear the cost of payment for the monitoring agency's services.¹⁷

XII. WAY FORWARD

Since the introduction of the amendments, the CCI has approved a total of 162 combinations¹⁸ spanning across a number of sectors such as road/highways infrastructure, renewable energy, real estate, mining, healthcare and pharmaceuticals, etc. Given the plethora of amendments which have been introduced in the past two years in India's merger control landscape and the increasing number of merger notifications across a variety of sectors, it may be prudent for entities involved in transactions with an India nexus or with a presence in India to adopt a proactive approach to navigating this dynamic regime. This includes regularly reviewing transaction structures and factoring competition law compliance into early stages of deal-making. Entities may also consider engaging with legal counsel early in the transaction timeline to ensure timely and accurate filings with the CCI, and to avoid possibilities of gun-jumping proceedings.

*This insight has been authored by **Simran Dhir** (Head of Competition Law Practice); **Prerana De** (Senior Associate); **Sehaj Mahajan** (Associate) and **Ritik Mohapatra** (Associate). They can be reached on sdhir@snrlaw.in, preranade@snrlaw.in, smahajan@snrlaw.in and rmohapatra@snrlaw.in, respectively, for any questions. This insight is intended only as a general discussion of issues and is not intended for any solicitation of work. It should not be regarded as legal advice and no legal or business decision should be based on its content.*

© 2026 S&R Associates

S&R
ASSOCIATES
ADVOCATES



NEW DELHI

Max House
Tower C, 4th Floor
Okhla Industrial Estate Phase III
New Delhi 110 020
Tel: +91 11 4069 8000

MUMBAI

One World Center
1403 Tower 2 B
841 Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Tel: +91 22 4302 8000

¹⁷ Please see query 135 of the FAQs, available [here](#).

¹⁸ This figure is updated as of December 31, 2025.