IN-DEPTH

Merger Control

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In-Depth: Merger Control (formerly The Merger Control Review) provides an incisive overview and analysis of the pre-merger competition and notification regimes across key jurisdictions worldwide, as well as a discussion of recent decisions, strategic considerations and likely upcoming developments. Given the ability of most competition agencies with pre-merger notification laws to delay, and even block, a transaction, it is imperative to take each jurisdiction – small or large, new or mature – seriously.

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India

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Summary

Introduction

The Competition Commission of India (CCI) is the regulator overseeing merger control in India. It has exclusive jurisdiction to review combinations and assess whether they are likely to cause an appreciable adverse effect on competition (AAEC) in India.

The Indian merger control regime flows from the Competition Act, 2002 (Competition Act) read with its allied rules and regulations. The Competition Act is primarily complemented by the Competition Commission of India (Combination) Regulations, 2024 (Combination Regulations), the Competition (Criteria for Exemption of Combinations) Rules, 2024 (Exemption Regulations), the Competition (Criteria of Combination) Rules, 2024 and the Competition (Minimum Value of Assets and Turnover) Rules, 2024.[1]

The Indian merger control regime is mandatory and suspensory. Accordingly, if a transaction breaches the prescribed thresholds, it cannot be consummated (either in part or whole) prior to securing an approval from the CCI.

If parties consummate a notifiable transaction (either in part or fully) prior to receipt of CCI's approval, or altogether fail to notify a notifiable transaction, CCI can impose a penalty under section 43A of the Competition Act for gun-jumping. Alongside gun-jumping proceedings, the CCI can also require the parties to notify the transaction and seek its approval on a post-closing basis.

While there is no limitation on initiation of gun-jumping proceedings, the CCI cannot require the parties to notify transactions after expiry of one year from the date of consummation.

Year in review

The CCI has approved 132 transactions in 2025, marking a notably active year for Indian merger control. Key highlights from the year include the following.

Type of filings

The year saw a healthy mix of financial sponsor and strategic deals. Of all notified transactions, almost 45% transactions were financial sponsor lead deals. The trend of almost half of all filings being financial sponsor deals is a stable and a continuing trend from the last few years.

Green Channel Route (GCR)

Introduced in 2019, the GCR is a fast-track process that allows transactions without any overlaps between the acquirer group and target to skip statutory waiting periods and obtain deemed approval. In 2025, 18 transactions were notified under the GCR. Pertinently, GCR usage remains below historical peak levels largely because the CCI enforces the framework rigorously and continuously penalises borderline non-compliance cases.

Evolving nature of scrutiny

The nature of scrutiny undertaken by the CCI in combination matters has seen refinement and at the same time, has become increasingly incisive. Detailed and granular questions on transaction structures, nature of control, standstill obligations, ultimate controlling persons have become more common.

Deal value threshold (DVT)

Since its introduction in September 2024, the DVT has now completed its first full year of operation. Approximately 10% of the total filings in 2025 were notified to the CCI under this threshold. Contrary to expectations, the DVT did not materially increase overall filing volumes. Pertinently, additional DVT-driven notifications were substantially offset by other 2024 reforms (which increased the traditional asset/turnover-based thresholds, expanded exemption frameworks and amended the turnover definition). In stark contrast to regulatory expectations, transactions exceeding DVT thresholds originated primarily in traditional sectors as opposed to technology-driven sectors.

Innovative and novel remedies

The CCI is yet to block a transaction since the Competition Act has come into force. It did, however, issue two conditional approvals in 2025.

The CCI, over the years, has earned a reputation as a pragmatic and business-friendly regulator. Where competitive concerns appear likely, the CCI has shown significant willingness to adopt a consultative approach to finalise remedy packages (including novel remedies) to clear transactions during the Phase-I investigation period itself rather than escalating inquiries into a Phase-II investigation (which involves extended stakeholder consultations and a prolonged waiting period).

The CCI's assessment of the *Torrent Pharmaceuticals–JB Chemicals* acquisition[2-] illustrates this trend. Despite market shares exceeding 90% in certain overlapping markets, the CCI, in consultation with the parties, accepted certain traditional behavioural and structural measures, including a novel quasi-structural remedy, resulting in clearance being provided in Phase-I.

That said, the CCI has not hesitated to initiate Phase-II investigations where material competition concerns could not be addressed in Phase-I. In *Bharat Forge–AAM India Manufacturing Corporation,*[3] the CCI initiated a Phase-II investigation where conditional approval was based on substantial hold-separate remedies.

Gun-jumping

The year 2025 saw the CCI renew its focus on gun-jumping after a lukewarm 2024, with five penalties (for gun-jumping) being imposed on:

1. a leading financial sponsor, where the CCI clarified that access to commercially sensitive information (board materials on a post facto basis) disentitled the availability of the minority acquisition exemption;[4]
2.

a major pharmaceutical company, where the CCI clarified that substantial changes to transaction structure after CCI approval merited re-assessment and required fresh approval prior to consummation;[5]

3. a major healthcare group entity, where it was held that inter-connected transactions involving conversion of securities (from debentures to equity) triggered by financial distress still required prior CCI approval;[6]
4. a leading financial sponsor, for availing the GCR to secure an approval while failing to map vertical and complementary overlaps. The CCI held that gun-jumping penalty will lie against a notifying party even if the failure to identify overlaps arose from an inadvertent error;[7] and
5. a leading player in power generation, distribution and transmission, where the CCI reaffirmed its jurisdiction over transactions in the power sector and held that consummation of notifiable transaction prior to CCI approval constituted gun-jumping, even where securing approval was rendered impossible by the bidding process surrounding the notifiable acquisition. However, for the first time since inception, the CCI took cognisance of the practical difficulties (including factors outside the acquirer's control) and did not impose a penalty (despite gun-jumping).-[8]

While 2025 underscores a strict, substance-driven merger control regime, the CCI's approach also underscores regulatory pragmatism.

Conditional approval

The year 2025 witnessed two transactions being subject to remedies and conditional approval.

1. *Torrent Pharmaceuticals Limited (Torrent)/JB Chemicals & Pharmaceuticals Limited* (JB Chemicals).[9]
   - Torrent notified the acquisition of a controlling interest in JB Chemicals. During its assessment, the CCI identified substantial overlaps in the market for certain pharmaceutical formulations. Noting significant market shares (for instance, combined market shares for Lactobacillus Acidophilus and Nifedipine were in the range of 95–100%, and in Azelnidipine, combined market shares were 45–50%), the CCI raised concerns on reduced competitive intensity and the potential for price increases.
   - The CCI approved the transaction, albeit conditional on a multi-layered remedy framework, comprising structural, quasi-structural and behavioural remedies and the appointment of a monitoring agency to ensure compliance. These are: (1) Nifedipine – the CCI required complete divesture of "Calcigrad" brand (comprising all products containing Nifedipine) to eliminate overlaps completely; (2) Lactobacillus Acidophilus – the CCI accepted a quasi-structural remedy, where Torrent would grant an exclusive licence of its "Vizylac" brand to an independent player for five years; (3)

Azelnidipine – noting market shares were comparatively lower, the CCI accepted behavioural commitments, limiting annual price increases for "Azovas" brand to 5%, for a period of three years.

2. *Bharat Forge Limited (BFL)/AAM India Manufacturing* (*AAM*).[10]

   - BFL notified its acquisition of 100% shareholding in AAM to the CCI for approval. During its assessment, the CCI observed significant market shares (approximately 60–65%) in the market for manufacture of axles for commercial vehicles.
   - Despite concerns surrounding consumer choice, reduction in innovation and incentive to compete, the CCI ultimately approved the transaction, subject to remedies and appointment of a monitoring agency to monitor compliance with the remedies. These include: (1) hold-separate arrangement between BFL and AAM for seven years; and (2) ring-fencing of commercially sensitive information to prevent any information sharing between BFL and AAM.

The cases above demonstrate CCI's proclivity to explore innovative and bespoke remedies to effectively address any competitive concerns arising from such complex strategic transactions. In our view, regulatory pragmatism appears to be the way forward, particularly in scenarios where parties are willing to work with the CCI and arrive at innovative solutions that credibly address competitive concerns.

The merger control regime

Thresholds

An acquisition (of shares, control, voting rights or assets), merger or amalgamation requires mandatory approval from the CCI if:

1. the transacting parties jointly meet any one of the eight assets/turnover based thresholds; or
2. the transaction meets the DVT (which is premised on the deal value exceeding 20 billion rupees and the target breaching the local nexus test); and the transaction is ineligible to claim benefit of any statutory exemptions (the Target Exemption and those set out under the Exemption Regulations).

Pertinently, the CCI has no voluntary jurisdiction. A transaction which does not meet any one of the notification thresholds (or is eligible for exemptions) cannot be voluntarily reviewed by the CCI. Further, where a transaction requires a CCI approval, the transaction cannot be consummated in part or whole either in India or outside till the CCI approval is received.

The CCI remains the only authority in India that can review and approve notifiable transactions. No other authority or civil court can discharge such function.

Review process and timelines

The overall statutory review timeline for a combination is capped at a maximum of 150 calendar days.[11] Pertinently, combinations notified under the GCR do not have a waiting period, these are deemed approved once formally filed with the CCI.

The approval framework is split into two phases – ie, Phase-I (initial assessment) and Phase-II (detailed investigation), summarily described below.

1. Phase-I: transactions that are prime facie unlikely to result in an AAEC in the relevant market are approved in Phase-I. Approval under Phase-I is received in 30 calendar days,[12] which can be extended through clock-stops.[13] Typically, with clock stops, an approval in Phase-I can be expected within 55 to 65 days. Pertinently, approximately 99% of all merger filings before the CCI obtain an approval under Phase-I.
2. Phase-II: a transaction not approved in Phase-I moves to Phase-II, which entails a detailed and thorough investigation into prima-facie competition concerns identified by the CCI in Phase-I. Transactions in Phase-II also involve detailed consultation with third-party stakeholders (including competitors) and public consultations. Thus far, in about 1,300 combinations reviewed by the CCI, only 10 underwent a Phase-II investigation, the most recent being the Bharat-Forge*AAM* combination.

Ability to accelerate the review procedure

Despite a significantly streamlined and reduced approval timeline, there are a few mechanisms transacting parties can undertake to expedite the review process. These are the following.

1. Pre-filing consultation: the regime allows transacting parties to undertake a pre-filing consultation (PFC) with CCI case officers before submitting a formal notice. A PFC is a confidential, oral and non-binding engagement that lets parties discuss contentious or unclear aspects upfront, which can possibly reduce the risk of information requests during the formal review process.
2. Voluntary modifications: where competitive concerns appear likely, transacting parties can voluntarily offer modifications to the CCI (in Phase-I as well) to expedite approval timelines and shorten the inquiry process. As provided above, the CCI is accepting of ongoing consultations and conversations with the transacting parties to identify remedy packages that assuage competitive concerns.

Tender offers

After the amendments to the Competition Act in 2024, the suspensory regime has been lowered for on-market transactions. Transacting parties can now consummate on-market acquisitions and seek post-facto CCI approval, on fulfilling certain prescribed criteria. These include:

1. parties notifying the transaction to the CCI within 30 calendar days from the date of the first acquisition of shares in the open market;
2. recusal to exercise voting rights attached to shares acquired during the open offer process (except in matters relating to liquidation/insolvency); and
3. pending CCI approval, parties exercise only economic benefits (dividends, bonus shares and stock splits) associated with the acquired shares.

Hostile transactions

The Indian merger control regime does not exempt hostile takeovers from seeking an approval from the CCI. Notably, failure to secure approval for a hostile takeover will result in gun-jumping penalties.

This has been upheld by the CCI in its decisional practice in *Veolia Environnement S.A./Suez S.A*.[14] Here, Veolia Environnement (a French-listed entity) sought to acquire shareholding in Suez S.A. from an existing shareholder, Engie S.A. (holding 29.9%), which triggered an open-offer. When Veolia failed to notify the transactions, the CCI imposed a penalty of 10 million rupees for gun-jumping.

Third party access to notification documents

All merger control filings are made to the CCI in two identical versions: (1) a complete version containing unredacted confidential information; and (2) a public version where confidential information is redacted. Note that confidentiality can be sought and is typically granted by the CCI only for confidential/commercially sensitive information which, if disclosed, would result in commercial harm to the transacting parties.

Third parties may access the public version if they can demonstrate (with justifiable grounds) that such access is merited. Therefore, while theoretically, third parties can access this data, practically, gaining such access is difficult considering that demonstrating justifiable grounds to access such data is a substantial burden to discharge. In practice, after a transaction is approved by the CCI, it passes a detailed reasoned order (available on its website) which explains the transaction, provides details on the parties to the transaction and captures the competitive assessment undertaken further to the transaction. In such public order, the CCI refrains from including information that is redacted from the public version of the filing.

Overview of the remedy regime in India

Where transactions are likely to raise competitive concerns, structural/behavioural remedies can be imposed to secure conditional approval. As above, while parties can offer remedies at any time during the approval process (either in Phase-I or Phase-II), the CCI can offer remedies only during the Phase-II process.[15]

The CCI formally does not express any preference between structural remedies (such as divestments) and behavioural remedies (such as supply obligations, non-discrimination commitments, or access undertakings). The CCI's decisional practice is indicative of a calibrated approach where it will typically consider a mix of both structural and behavioural remedies to approve transactions with competitive concerns.

Overview of appeal process

The Indian merger control regime provides a multi-layered appellate and judicial review framework, enabling parties aggrieved by CCI decisions to seek recourse through specialist and generalist courts. These are summarily set out below:

1. an appeal against a direction, decision or order of the CCI can be filed before the National Company Law Appellate Tribunal (NCLAT); and
2. an appeal from the NCLAT lies before the Supreme Court of India.

Apart from the appellate mechanism provided under the Competition Act, parties may also seek judicial review of CCI or NCLAT orders by approaching the High Courts under the Constitution of India. Such petitions are typically entertained only in cases of gross procedural irregularity, violation of natural justice, or breach of constitutional rights.

Challenge to merger review by third parties

The Indian merger control regime does not provide any formal mechanism for third parties to object to transactions being reviewed by the CCI. However, the CCI can, independently and as part of its inquiry process, choose to reach out to competitors and other stakeholders. Further, in certain instances transacting parties are required to publicise details of the combination to invite public comments. Even at such stage, third parties can provide their submissions (including their objections, if any) to the CCI.

Typically, the CCI will reach out to third parties only where transactions are likely to result in significant competitive concerns.

Other strategic considerations

Co-ordination with other jurisdictions

Since the formal commencement of the Indian merger control regime, the CCI has regularly entered into co-operation agreements/memorandum of understanding with other antitrust regulators globally. The CCI's International Cooperation Division focuses on developing linkages and maintaining relationships with multiple agencies/international antitrust regulators to among others strengthen international cooperation and share information.

Till date, the CCI has entered cooperation agreements/MOUs with antitrust authorities in Australia, Brazil, Canada, Egypt, Japan, Mauritius, Russia, and the United States of

America.[16] Further, the CCI has also entered into a multilateral cooperation arrangement with antitrust authorities from the BRICS jurisdiction.

Interestingly, global co-ordination is not just restricted to cooperation and information sharing. While reviewing combinations, the CCI requires transacting parties to provide details of merger control approvals required in other jurisdictions. Where a transaction is notified across jurisdictions, it is possible that the CCI may choose to align itself with views undertaken by its global counterparts, as a part of its review process.

Special situations

Financial distress acquisitions: in transactions involving financially distressed entities, the CCI has demonstrated its proclivity to approve transactions expeditiously. That said, there is no formal statutory accelerated review timeline in combinations involving financially distressed entities.

Notably, the requirement to obtain CCI approval is not obviated even in combinations where bidders propose to acquire insolvent/financially distressed entities, through the statutory insolvency resolution process, when the statutory thresholds are met and no exemptions are available.

This requirement passed the test of judicial scrutiny by the Supreme Court of India, where in a recent transaction involving a financially distressed entity, it held that CCI approval, if applicable, must be obtained prior to the resolution plan (for entities undergoing statutory insolvency resolution process) being considered for approval by the committee of creditors.[17]

Key exemptions

Minority ownership acquisitions: under the Indian merger control regime, acquisition of less than 25% shareholding is exempted so long as the acquisition does not result in (1) an acquisition of control and (2) the acquisition is made solely as an investment.

Incremental acquisitions: incremental acquisitions where cumulative shareholding is less than 25%, between 25% to 50% and above 50% are also exempted so long as there is no change in control.

Intra-group transactions: the Indian merger control regime also exempts intra-group mergers, amalgamations, share acquisitions and asset acquisitions, so long as there is no change in control.

Demergers: demergers where the shares in the resulting company are either acquired by the demerged entity or by shareholders of the demerged entity in proportion of their shareholding in the demerged entity are also exempt.

Special considerations

Market study on artificial intelligence

In October 2025, the CCI released a detailed and comprehensive study on artificial intelligence and its interplay with competition laws (Market Study). While not solely covering merger control aspects, the study offers insights into how the CCI will approach competition issues in nascent, but emerging digital markets.

The Market Study focusses on emerging issues such as data concentration, roles essayed by large digital ecosystems and the growing potential for algorithmic coordination through AI. Importantly, given the increasing adoption of AI, the Market Study is a useful guide outlining how CCI will examine issues in merger control transactions involving AI, digital services or data-led products/services.

Outlook and conclusions

Given the significant amendments to the Indian merger control regime, we do not anticipate any major legislative changes on the horizon. That said, the CCI's proactivity and continued commitment to streamlining the Indian merger control regime entails that incremental shifts basis practical experience cannot be ruled out.

In terms of trends, the nature of CCI's scrutiny (especially on transaction structures, ultimate controlling entities, commercially sensitive information) has been increasing and is expected to increase going forward. Transacting parties would therefore be well-advised to take a proactive and structured approach in navigating the Indian merger control regime.

Acknowledgements

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Endnotes

1 These rules provide that transactions where the target: (1) has an Indian asset value of less than or equal to 4.5 billion rupees; or (2) has Indian turnover of less than 12.5 billion rupees, are exempt from the mandatory notification requirement (Target Exemption). ^ Back to section

2 Combination Registration No. C-2025/07/1299. ^ Back to section

3 Combination Registration No. C-2024/10/1197. ^ Back to section

4 M&A/10/2020/01/CD, order under section 43A. ^ Back to section

5 C-2024/04/1139, order under section 43A. ^ Back to section

6 C-2024/05/1142, order under section 43A. ^ Back to section

7 C-2023/10/1066, order under section 43A. ^ Back to section

8 M&A/03/2022/02/CD, order under section 43A. ^ Back to section

9 Combination Registration No. C-2025/07/1299. ^ Back to section

10 Combination Registration No. C-2024/10/1197. ^ Back to section

11 The overall statutory review timeline was 210 calendar days previously, which was reduced to 150 calendar days by way of amendments to the Competition Act. ^ Back to section

12 Previously, the CCI was required to form its prima-facie opinion within 30 business days from the date of notification. This timeline was reduced to 30 calendar days pursuant to legislative amendments. ^ Back to section

13 That is time taken by the parties to respond to queries from the CCI. In practice, the CCI does not initiate the review clock of 30 calendar days until all follow-on queries are responded by the parties to the transaction. ^ Back to section

14 Combination Registration No. C-2021/07/852; order under section 43A. ^ Back to section

15 Section 29(A) of the Competition Act read with Regulation 25 of the Combination Regulations. ^ Back to section

16 https://www.cci.gov.in/international-cooperation/abouts. ^ Back to section

17 *Independent Sugar Corporation v Girish Sriram Juneja*, 2025 INSC 124. ^ Back to section

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