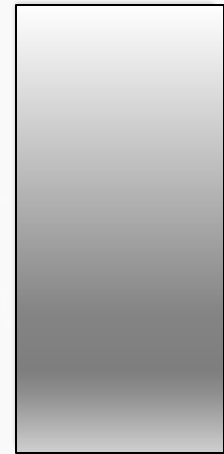


# **LEGALITE** ADVISORS

**IMPORTANT LEGAL UPDATE ON NOTIFICATIONS  
BY THE COMPETITION COMMISSION OF INDIA**





- **Notification No.** S.O. 1130(E) and S.O. 1131(E) (“**Notifications**”).
- **Notifications Date.** March 07, 2024
- **Notifications Subject.** Revised thresholds for value of turnover and assets notified under the Competition Act, 2002 (“**Competition Act**”).
- **Introduction.**

- ✓ The Ministry of Corporate Affairs (“**MCA**”) has *vide* 2 (two) separate Notifications, increased the following key thresholds under the Competition Act: (a) the thresholds allowing exemption from notification based on the assets and turnover of the target company (“**De Minimis Thresholds**”); and (ii) the thresholds required to be breached for notification of ‘combinations’ under section 5 of the Competition Act (“**S-5 Thresholds**”).

✓ **Revision in De Minimis Thresholds is as under:**

If the acquisition target possesses an asset value > INR 450 crores or turnover > INR 1,250 crores, then such a merger or acquisition would be exempt from approval by the Competition Commission of India. Below is that tabular depiction of the old and new De Minimis Thresholds

Old De Minimis Thresholds		Revised De Minimis Thresholds	
Assets	Turnover	Assets	Turnover
>350 cores	>1,000 cores	>450 crores	>1,250 crores

These revised **De Minimis Thresholds** shall be applicable for a period of 2 (two) years from the date of publication of the Notification in the Official Gazette i.e. upto March 06, 2026.

✓ **Revision in S-5 Thresholds:**

As per section 5 of the Competition Act, all transactions amounting to ‘combinations’ exceeding a specified threshold of assets or turnover require a prior approval of the Competition Commission of India before the completion of transaction.

Pursuant to powers vested in the Central Government under section 20(3) of the Competition Act, the Central Government in consultation with Competition Commission of India *vide* the Notification, has enhanced the S-5 Thresholds, **by the value of assets and the value of turnover by 150% (One Hundred and Fifty percent)** ‘due to wholesale price index and exchange rate of rupee over the values mentioned under section 5 of the Competition Act’ as under:

Particulars		Old S-5 Thresholds	
		Assets	Turnover
<b>Enterprise Level</b>	India	> INR 2,000 crores	or > INR 6,000 crores

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	In India or Outside India	> USD 1.00 billion with at least > INR 1,000 crores in India		> USD 3.00 billion with at least > INR 3,000 crores in India
or				
<b>Group Level</b>	India	> INR 8,000 crores	or	> INR 24,000 crores
	In India or Outside India	> USD 4 billion with at least > INR 1,000 crores in India		> USD 12 billion with at least > INR 3,000 crores in India

Particulars		Revised S-5 Thresholds		
		Assets	or	Turnover
<b>Enterprise Level</b>	India	> INR 2,500 crores		or
	In India or Outside India	> USD 1.25 billion with at least > INR 1,250 crores in India	> USD 3.75 billion with at least > INR 3,750 crores in India	
or				
<b>Group Level</b>	India	> INR 10,000 crores	or	> INR 30,000 crores
	In India or Outside India	> USD 5 billion with at least > INR 1,250 crores in India		> USD 15 billion with at least > INR 3,750 crores in India

**Impact - The aforesaid limits have been revisited and revised to further enhance the ideology of ease of doing business in India.**

▪ **Link of the Notifications.**

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=2012821>

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