

# Trends in Gun-Jumping: Recurring Themes in CCI's Decisional Practice in CY 2025

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## Trends in Gun-Jumping: Recurring Themes in CCI's Decisional Practice in CY 2025

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After a lukewarm calendar year (CY) 2024, the Indian competition authority (the Competition Commission of India (CCI)) has shifted its focus to “gun-jumping” cases with renewed vigor. In stark contrast to CY 2024, where only one penalty was imposed, the enforcement landscape shifted significantly in CY 2025 with the CCI observing gun-jumping in over 5 cases, with average penalties imposed by the CCI for gun-jumping in CY 2025 reaching ~INR 14 lakh (~USD 13,500). An analysis of the CCI orders reveals a shifting consensus towards a lowered threshold, where access to ‘commercially sensitive information’ (CSI) constitutes material influence, and strict notification requirements for interconnected, multi-step transactions are enforced.

In this article, we examine these decisions based on the aforementioned themes and set out key takeaways impacting mergers and acquisitions in India.

### I. Access to CSI: New Standard For Material Influence

The codification of access to CSI<sup>2</sup> (on 10 September 2024) was a seminal shift for M&A enforcement in India. With this new law, the CCI moved away from the “ordinary shareholder rights” threshold toward an “access to CSI” standard to determine eligibility of exemptions.

In *Goldman Sachs (India) Alternative Investment Management*<sup>3</sup>, Goldman Sachs (GS) was subscribing to optionally convertible debentures (OCDs) issued by

Biocon Biologics Limited (BBL). As a part of this OCD Transaction, GS acquired certain rights, including: (i) a right to access premises and personnel (**Access Right**), and (ii) the right to access minutes of board, committee and shareholder meetings (**Minutes Right**). The OCD Transaction was not reported to the CCI, noting that the aforementioned rights available to GS were available to all ordinary shareholders of BBL. Rejecting these arguments, the CCI observed that: (i) acquisition of convertible securities amounted to a notifiable event, and (ii) the Access Right and Minutes Right allowed GS to access CSI pertaining to BBL, indicating that the OCD Transaction was strategic in nature.

As such, the CCI’s decisional practice indicates that access to CSI renders minority acquisition exemption inapplicable.

### II. Transaction Sequencing and Interplay with Interconnected Transactions

Under the Competition Act, 2002 (**Competition Act**) and its regulations, any multi-step transaction must be notified to the CCI even if only one step independently requires approval. The CCI may also assess the substance and ultimate purpose of the transaction to determine whether seemingly separate steps are connected.

*Matrix Pharmaceuticals Limited*<sup>4</sup> involved an acquisition of 100 percent shareholding in Tianish Laboratories (**Tianish Labs**) by Matrix Pharmaceuticals Limited (**Matrix Pharma**), along with certain interconnected transactions. The transaction was approved by the CCI in February 2024. Post-approval, the shareholding pattern of the acquirer, i.e. Matrix Pharma was revised to include additional entities and

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<sup>2</sup> Rule 3(2)(b) of the Competition (Criteria of Combination) Rules, 2024.

<sup>3</sup> Goldman Sachs (India) Alternative Investment Management Private Limited (Order under

Section 43A, dated 14 January 2025, available [here](#)).

<sup>4</sup> Matrix Pharmaceuticals Limited (Combination Registration No. C-2024/04/1139, Order under Section 43A, dated 7 March 2025, available [here](#)).

the inclusion of a third-party investor was separately approved by the CCI. Matrix Pharma argued that, apart from the new investor, the earlier structural changes were not material. The CCI rejected this view, noting that new shareholders would receive rights such as access to information, books, and records, That could affect control and competitive dynamics. Accordingly, the CCI held that the transaction had to be re-evaluated as a whole, including all inter-connected steps, as opposed to viewing the changes in isolation.

In *Manipal Health Systems Private Limited*,<sup>5</sup> the CCI had the opportunity to examine inter-connected transactions from the lens of convertible instruments. The transactions involved: (i) an acquisition of debentures (converted to equity shares in January 2024), and (ii) an acquisition of equity shares pursuant to defaults in loan agreements. The January 2024 equity share acquisition was consummated without seeking CCI approval but was disclosed in a filing made in May 2024 prior to acquisition of equity shares pursuant to the loan default. Whilst CCI approved the transactions, it observed that the trigger for notification arose in January 2024, i.e. prior to allotment of equity shares in the Target. Noting that the acquirers did not dispute the acquisition of equity shares (pursuant to debenture conversion), CCI treated these as inter-connected transactions. Since the debenture conversion (and resultant equity share acquisition) had already been consummated, the CCI penalized the acquirers for violating Section 43(A) of the Competition Act.

### III. Mitigating Factors vs. Filing Requirements

Failure to seek approval for a notifiable transaction can result in the imposition of significant penalties on transacting parties.<sup>6</sup> A recurring theme appears across the 5 aforementioned orders – a contravention of Section 43A involves violating parties asserting the absence of any appreciable adverse effect on competition in India as a defense against premature consummation.

For instance, in *CA Plume Investments and Bequest Inc.*,<sup>7</sup> Carlyle (with Bequest Inc.) acquired 23.61 percent shareholding in Quest Global Services Pte. Ltd. (**Quest**). The transaction was notified under the Green Channel Route (**GCR**) and was deemed approved. Subsequently, the CCI discovered an overlap between the acquirer and a portfolio company of Bequest which negated GCR eligibility. While the CCI acknowledged it was a bona fide error and did not charge them with "making false statements" (under Section 44 of the Competition Act), it still imposed a penalty of INR 0.4 million for gun-jumping (under Section 43A of the Competition Act).

As an outlier, in *Torrent Power*,<sup>8</sup> the CCI did not impose any penalty despite the acquirer failing to seek approval for a notifiable transaction. The transaction involved the acquisition of 51 percent shareholding by Torrent Power Limited (**TPL**) by way of a bid process. The decision to not impose a fine was anchored into the unique situation in this transaction including (i) structural issues in the bidding process, (ii) TPL being mandated to pay consideration within 30 days from issuance of letter of intent, failing which


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<sup>5</sup> Manipal Health Systems Private Limited (C-2024/05/1142), Order under Section 43A, dated 31 July 2025, available [here](#)

<sup>6</sup> Failure to notify a transaction or consummating prior to the CCI's approval can result in a fine of up to 1% of the combined assets or turnover of the parties to a transaction or value of the transaction, whichever is higher.

<sup>7</sup> Combination Registration No. C-2023/10/1066, Order under Section 43A, dated 26 June 2025, available [here](#)

<sup>8</sup> Torrent Power Limited (Order under Section 43A, dated 14 January 2025, available [here](#)) (**Torrent Power Decision**).



TPL's bid would be disqualified – all of which made filing practically impossible within the bid timeline.

#### **IV. Takeaways**

The CCI's decisions in CY 2025 underscore a strict, substance-driven merger control regime. Transactions are assessed as a whole, with particular focus on information rights and inter-connected steps, regardless of how they are sequenced or labelled.

Two themes stand out: First, access to commercially sensitive information has firmly emerged as the touchstone for identifying material influence. Even rights that may appear customary or commercially justified can strip a transaction of available exemptions. Second, transaction structuring and sequencing demand heightened discipline. Seemingly minor changes, such as onboarding new investors or converting instruments, can retrospectively alter the notifiability analysis and expose parties to gun-jumping risk.

At the same time, the CCI's approach reflects regulatory pragmatism. While mitigating factors such as bona fide error, cooperation, and extenuating commercial constraints may influence the quantum of penalty, they do not excuse non-compliance. The Torrent Power Decision illustrates that leniency is possible, but only in exceptional circumstances.

The consistent message is clear: deal certainty in India depends on early, holistic, and conservative merger control assessments. The CCI's decisional practice demonstrates that post-facto explanations or restructuring will not shield parties from gun-jumping exposure.