COMPETITION COMMISSION OF INDIA

Combination Registration No. C-2026/08/1452

22nd September 2026

Notice under Section 6(2) of the Competition Act, 2002 given by Apollo Micro Systems Limited.

CORAM:

Ms. Ravneet Kaur
Chairperson

Ms. Sweta Kakkad
Member

Order

1. On 11th August 2026, the Competition Commission of India (**Commission**) received a Notice under Section 6(2) of the Competition Act, 2002 (**Act**) given by Apollo Micro Systems Limited (**AMS/Acquirer**) in relation to acquisition of 41.33% of the issued, subscribed, paid-up and voting share capital of Premier Explosives Limited (**Premier/Target**) (**Proposed Combination**). The Acquirer and the Target are collectively referred to as the **'Parties'**.

2. In terms of Regulation 14 of the Competition Commission of India (Combinations) Regulations, 2024 (**Combinations Regulations**), *vide* letter dated 18th August 2026, certain information and clarifications were sought from the Acquirer (**RFI**). The Acquirer submitted its response dated 25th August 2026 (**Response**) followed by additional submissions dated 2nd September 2026.

3. The Commission observed that the Notice was stated to be filed under Section 5(d) of the Act which corresponds to Deal Value Threshold (**DVT**). DVT was introduced under Section 5(d) of the Act [inserted through the Competition (Amendment) Act, 2023, came into effect in September, 2024] as per which transaction involving acquisition of any control, shares, voting rights or assets of an enterprise, merger or amalgamation is a combination if:

a. its value exceeds INR 2000 crore; and
b. the enterprise being acquired, taken control of, merged, or amalgamated has substantial business operations (**SBO**) in India.

4. The proviso to Section 5(d) states that the enterprise which is being acquired, taken control of, merged or amalgamated has such substantial business operations in India as may be specified by regulations. In this regard, Regulation 4(2) of Combination Regulations specifies as under:

"Regulation 4(2): For the purpose of proviso to clause (d) of section 5 of the Act, the enterprise referred therein shall be deemed to have substantial business operations in India, if:

a. for digital services provided, the number of its business users or end users in India is 10% or more of its total global number of such users; or

b. its gross merchandise value for the period of twelve months preceding the relevant date in India is:

i. 10% or more of its total global gross merchandise value, and

ii. more than rupees five hundred crores; or

c. its turnover during the preceding financial year in India is:

i. 10% or more of its total global turnover derived from all the products and services, and

ii. more than rupees five hundred crores."

(Emphasis supplied)

5. It was noted that though the deal value of the transaction exceeds INR 2000 crores, the turnover of Premier for FY 2025-2026 is less than the prescribed threshold of INR 500 crores to meet the SBO test under Section 5(d) of the Act read with Combination Regulations.

6. The Acquirer, in its Response, submitted that the Notice was filed before the Commission primarily from the standpoint of ensuring complete regulatory compliance and avoiding any possibility of non-compliance with the provisions of the Act. The

Acquirer acknowledged that the determination of substantial business operations has to be undertaken in accordance with the specific criteria prescribed under Regulation 4(2) of the Combination Regulations and on the basis of the relevant financial and operational parameters applicable to the Target, it noted that the jurisdictional element of Section 5(d) pertaining to the substantial business operations of India is not satisfied.

7. The Commission observed that since the turnover of Premier/Target for FY 2025-2026 is less than INR 1250 crores, the Proposed Combination does not exceed the thresholds specified under the Competition (Minimum Value of Assets or Turnover) Rules, 2024, read with Section 5(e) of the Act. Hence, the Target is *de minimis* for the purposes of asset/turnover thresholds under Section 5(a) to 5(c) of the Act. Furthermore, as noted above, since the SBO test of DVT is not satisfied, the Proposed Combination is not a notifiable transaction under Section 5(d) also. Therefore, it is not a combination as per Section 5 of the Act.

8. Considering the material on record, the Commission is of the opinion that the Notice does not fulfil the requirements of Section 6(2) read with Section 5 of the Act and is therefore, invalidated.

9. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.

10. The Secretary is directed to communicate to the Acquirer accordingly.