

GREENVISSAGE BUSINESS CONSULTING LLP'S

GREEN DIGEST

EVERYTHING THAT CONCERNS YOUR MONEY



GREENVISSAGE.COM

THIS COVER IS A SATIRICAL COMMENTARY ONLY.

FOGGY LENS A PRODUCT BY

LENSKART

Page 4

SPOTLIGHT

Lenskart IPO – How India's IPO Market sells dreams at a markup!



Page 8

EXPERT OPINION

GST Registrations 2.0 –
Understanding the New Rules



Page 12

GREENVISSAGE EXPLAINS

Curated financial stories of the month,
elaborated by our experts



Page 16

COMPLIANCE UPDATES

Policy, compliance and regulatory
updates from the past month



Page 20

ECONOMIC INDICATORS

Analysis of key economic factors



Greenvissage is a CFO consulting firm with the passion and expertise in helping companies set up in India and in managing their finances, accounts, payroll, taxes and compliances.

At Greenvissage, our constant endeavor is to help companies achieve growth that is scalable, sustainable and hassle-free through our CFO Consulting and Business Advisory Services. Greenvissage, one of the trusted and top CFO Consulting firms serves clients from over 14 countries and wades them through hundreds of statutory and internal target lines every year.

We are one of India's Largest Business advisory service providers with world-class finance talent.

Greenvissage Business Consulting LLP

LLPIN: AAB-9132



PUNE

106, Mayfair Tower I,
Wakdewadi, Pune – 411005, India

[Google Maps](#)

7, Kunal Puram Commercial Complex,
Opp Atlas Copco, Old Mumbai – Pune Highway,
Dapodi, Pune – 411012, India

[Google Maps](#)

MUMBAI

904, 9th Floor, Bhumi Raj Costarica,
Off Palm Beach Road, Sector 18, Sanpada,
Navi Mumbai – 400705, India

[Google Maps](#)

Email: info@greenvissage.com

Call: +91 82378 57853



SPOTLIGHT

Greenvissage

Lenskart IPO – Bubble, Hype and Everything Nice – Premium & Perception – How India’s IPO Market sells dreams at a markup!



Backdrop

Somewhere between the sparkle of a new eyewear collection and the gleam of a billion-dollar valuation, Lenskart seems to have mistaken its IPO for a luxury fashion show. The company's ₹70,000-crore price tag glitters like a limited-edition spectacle frame, glossy, oversized, and a bit hard to justify under bright analytical light. Yet, investors are queuing up like it's a Black Friday sale at Dalal Street's optical counter, convinced that clarity will come after listing day. It's a familiar sight. India's IPO market has turned into a catwalk for overconfident unicorns, each strutting its way to the bourse with a valuation that seems to have been set during a sugar high. We've seen this play out before: Paytm's grand entrance, Nykaa's glamour shot, Zomato's hunger games, Mamaearth's soft-focus debut, and even the long-delayed Oyo, which seems to be permanently about to file. Every new-age company insists it's not overvalued, just future-ready. Translation: we'll grow into our numbers someday, promise.

The IPO frenzy has now evolved into something between a Bollywood red carpet and a casino night. Merchant bankers play hype DJs, financial influencers rehearse listing gain predictions, and retail investors, armed with ASBA accounts and optimism, join the queue as if buying lottery tickets that say Disruptor on them. For many founders, public listing isn't about raising capital anymore; it's about validation, a ceremonial knighthood into India's startup elite, complete with a valuation headline that sounds good on CNBC and LinkedIn. What's truly wild is how valuation inflation has become the new national sport, rivalling cricket and tax-saving in popularity. Every few months, the markets welcome another IPO priced to perfection, which in plain English means priced to fantasy. Analysts mumble about fundamentals, but no one really wants to ruin the party, not when grey market premiums are trending on Telegram and retail demand is flooding in faster than one can say oversubscribed. In the middle of it all, Lenskart's IPO is just another chapter in India's great valuation soap opera, a spectacle about spectacles, where numbers wear designer frames and everyone pretends they can see the future clearly.

70,000 Crore Valuation

Now, about that ₹70,000-crore valuation, Lenskart's pitch deck sparkle hides a lot of prescription strength. On paper, the company's numbers look impressive: nearly ₹4,000 crore in revenue for FY2025 and a long-awaited turn to profitability. But at roughly 18 times sales, the valuation lens starts to warp. For comparison, even the most established global eyewear brands like EssilorLuxottica trade at a fraction of that multiple, and they own half the sunglasses on planet Earth. Lenskart, meanwhile, sells spectacles and optimism, powered by a hybrid of retail stores, influencer marketing, and buzzwords like omnichannel experience. It's a great business, sure, just maybe not that great. What's happening here is classic startup valuation theatre. Private investors who entered during the pandemic's digital gold rush don't want to mark down their holdings. So, when it's time to list, they conjure a narrative about "total addressable markets, AI-powered retail, and vision for all, anything that helps justify a few extra zeroes. The bankers nod, the founders beam, and suddenly, your local optician chain looks like a Silicon Valley disruptor. Lenskart's eyewear empire might indeed have strong margins and loyal customers, but the math doesn't justify the mythology. This IPO, like so many before it, isn't about what the company is worth today; it's about how convincingly it can sell tomorrow's worth at today's price.

The irony is almost poetic. A company that literally helps people see better is now blurring the lines between value and valuation. And retail investors, bless their enthusiasm, are adjusting their focus not on financial statements but on grey market premiums. It's a story that's become as predictable as a rom-com: founders promise disruption, bankers whisper oversubscribed, and retail buyers end up holding shares that need corrective lenses by listing day.

The Inflated Valuations

Every few quarters, a new startup steps into the IPO ring, draped in buzzwords, brand ambassadors, and investor slides that look more like sci-fi storyboards than financial disclosures. From Paytm's trillion-rupee delusion to Nykaa's beauty parade of multiples, and from Zomato's hunger-fueled optimism to Mamaearth's influencer-powered pricing, the pattern is absurdly consistent: the numbers may not add up, but the

narrative always does. It starts in the private market, where venture capitalists and late-stage funds mark up valuations like street vendors marking up Diwali sweets. A funding round at a high price becomes a trophy, not a reflection of fundamentals. Founders love it because they can flaunt a unicorn badge on LinkedIn; investors love it because it inflates their portfolio NAVs. And when the private party gets too crowded, the IPO becomes the final exit door, a way to offload those paper gains onto the public, wrapped in a glossy prospectus and sold as national progress.

The trick is subtle but brilliant. Companies highlight Gross Merchandise Value instead of profit, Adjusted EBITDA instead of earnings, and Total Addressable Market instead of market share. These are the magic words of startup finance, designed to hypnotise analysts and journalists alike. We're not loss-making, they insist, we're investing in growth. Translation: we're still losing money, but it sounds better in a deck. Every IPO pitch now reads like a motivational TED Talk, complete with futuristic graphs and the occasional line about empowering Bharat. Merchant bankers, of course, play their part beautifully. Their job isn't to question valuations; it's to price the dream as expensively as the market will tolerate. They round up a few anchor investors, often the same global funds already holding stakes, and call it strong institutional demand. Then comes the grey market frenzy, the YouTube hype, and the retail rush, the perfect recipe for a listing-day pop, at least until reality catches up.

And it always does. The IPO market in India today feels like a parallel universe where companies with wafer-thin margins are priced like monopolies, and growth projections read like science fiction. When the music stops, the retail investor is usually the one left standing without a chair, or in this case, holding shares that look far less shiny once the first quarterly report arrives. In essence, Indian IPOs have become the art of storytelling disguised as financial engineering. Founders narrate, bankers curate, analysts annotate, and retail investors participate. Everyone knows the joke, but nobody wants to stop laughing, not while there's still a premium to chase.

Common Red Flags

For the average retail investor, IPO season in India feels like festival season, every week there's a new celebration, a new

must-buy, a new promise of listing gains. Telegram groups light up, YouTube experts whisper secret GMPs like stock market astrologers, and everyone suddenly becomes an equity sage. But behind the confetti of hype lies a pattern of red flags so common they could be printed on the application form itself. The first red flag is the Offer for Sale trap, when a majority of the IPO isn't raising fresh capital, but rather existing investors cashing out. That's the financial equivalent of the chef leaving the restaurant right before opening night. If 60–70% of the issue is an OFS, it usually means private backers have already had their fill, and the public is being invited to pick up the tab. Sure, founders call it broad-basing ownership, but in plain English, it's an exit strategy dressed as opportunity.

Then comes the valuation illusion, where everything looks good because everyone says it's good. The company might have growing revenues, but look closely at the profitability line. Many IPO-bound startups show a sudden, miraculous profit in the year before listing, often achieved by accounting alchemy, one-time adjustments, or just deferring costs. It's a magic trick: the pre-IPO numbers sparkle, only for post-listing earnings to vanish faster than a bonus issue rumour. If the business model still relies on burning cash to capture market share, that's not scaling, that's subsidising customers. Another classic red flag is the buzzword overdose. When a company starts describing itself as a tech-enabled omnichannel disruptor leveraging AI and community commerce, it usually means they sell something very traditional, just with Wi-Fi. In the startup world, the more complicated the language, the simpler (and weaker) the actual business. Retail investors often mistake vocabulary for value.

Then there's grey market fever, perhaps the most dangerous pitfall of all. The Grey Market Premium (GMP) has become the gossip currency of IPO season. It's unregulated, often speculative, and as reliable as a weather forecast on April Fool's Day. A soaring GMP doesn't mean the company is worth more; it just means there's more noise. Retail investors chasing GMPs are like gamblers betting on the colour of the roulette wheel, not the odds behind it. Watch also for celebrity validation and media choreography. If the company's marketing spends more on brand ambassadors and PR than on explaining its margins, that's a red flag in neon. Remember, good businesses don't need influencers to sell financials.

And finally, the most dangerous pitfall of all, the listing gain myth. Everyone enters thinking they'll exit on day one. But not every IPO pops; some fizzle quietly, others crash spectacularly. By the time reality sets in, the institutional investors have moved on, and retail shareholders are left clutching their long-term conviction. It's not conviction; it's denial with a demat account. The golden rule of IPO investing remains brutally simple: If you can't explain how the company actually makes sustainable profits, you're not investing, you're donating. The IPO market rewards patience, discipline, and scepticism, three traits that vanish the moment a new unicorn rings the bell at the BSE.

(References – Bloomberg, Al Jazeera, The Guardian, Reuters)



EXPERT OPINION

Greenvissage

GST Registrations 2.0 – Government finally let the bots handle the paperwork (but kept the law in the room)

By Amit Chandak, Managing Partner, Greenvissage



Introduction

If there's one thing that could test the patience of even the most optimistic entrepreneur, it's the labyrinth of GST registration. For years, startups and MSMEs have had to wade through a sea of forms, face unpredictable scrutiny, and wait anxiously for approval, often longer than it takes to find their first customer. The process, designed to bring uniformity and transparency, had ironically become a bureaucratic bottleneck. But the winds of reform are blowing again. With the Central Goods and Services Tax (Fourth Amendment) Rules, 2025, the Government of India seems determined to swap red tape for algorithms and manual scrutiny for machine learning. Effective from November 1, 2025, these new rules, introduced via Notification No. 18/2025 – Central Tax, mark a pivotal moment in the evolution of India's GST ecosystem. They introduce two groundbreaking provisions: Rule 9A, which automates the GST registration process, and Rule 14A, which creates a simplified registration route for small taxpayers with limited tax liabilities. Together, they form the backbone of what can only

be described as GST's digital awakening, one where artificial intelligence, Aadhaar authentication, and risk analytics collaborate to make compliance simpler, faster, and more trustworthy.

Automatic registration

Rule 9A is the government's most ambitious step toward automation yet. Under this provision, GST registration is granted electronically within three working days, with no officer signatures, no file shuffling, and no mysterious "pending for verification" status haunting applicants. The GSTN portal now runs a risk-based verification model that analyses applications through data parameters such as PAN and Aadhaar consistency, financial health, and even the compliance record of promoters. If the system detects no red flags, the registration is granted automatically. This innovation is not just about speed; it's about integrity. By replacing subjective scrutiny with algorithmic precision, the government has effectively removed one of the most error-prone stages in

the GST framework. However, it is Rule 14A that truly captures the government's intent to ease compliance for small players, the beating heart of India's economy. This new rule creates a special category of registration for businesses whose monthly output tax liability does not exceed ₹ 2.5 lakh. In other words, small suppliers, early-stage startups, and local B2B service providers can now register under a simplified scheme that saves time and paperwork. The process, again, is fully electronic and Aadhaar-based. Applicants undergo a quick verification, and once cleared, receive their registration certificate within three working days.

New Small Taxpayer Registration

Rule 14A of the Central Goods and Services Tax (Fourth Amendment) Rules, 2025, introduces a new special registration category designed specifically for small suppliers primarily engaged in B2B transactions, offering them a simplified and technology-driven registration route. Under this new category, an applicant is eligible if their monthly output tax liability does not exceed ₹2,50,000. The applicant must undergo mandatory Aadhaar authentication, ensuring identity verification and accountability, and must not be covered under Section 25(6D) of the CGST Act, 2017, which applies to persons notified for enhanced verification requirements. Importantly, this registration is optional, allowing small taxpayers to benefit from simplified compliance while retaining the flexibility to opt out later if their business expands or tax liability increases. The grant of registration under Rule 14A is entirely electronic and is processed within three working days following successful Aadhaar authentication. The system conducts automated verification and risk analysis using data analytics to assess the applicant's risk profile. If no inconsistencies or red flags are detected, registration is granted without manual intervention, thus reducing human delays and ensuring transparency.

A key feature of Rule 14A is its withdrawal mechanism, which replaces the earlier cumbersome cancellation and re-registration process. If a taxpayer's output tax liability exceeds the prescribed ₹2.5 lakh monthly limit, they may withdraw from this special category by applying Form REG-32. Upon verification and approval by the proper officer, a formal withdrawal order is issued in Form REG-33. To ensure compliance before withdrawal, all pending returns must be filed up to the date of the application. Additionally, taxpayers

must meet the following minimum filing conditions: at least three months of returns must be filed if withdrawal is sought before April 1, 2026, or one tax period's return if applied after April 1, 2026. The withdrawal process is permitted only when there are no pending cancellation proceedings under Section 29 of the CGST Act. The rule also reinforces digital trust through stringent Aadhaar-based authentication and verification. Both the primary authorised signatory and at least one promoter or partner of the applicant must complete either Aadhaar OTP or biometric verification. No application under Rule 14A, whether for registration or withdrawal via REG-32, will be processed until successful Aadhaar verification is completed.

Consequential Changes

The first major change is in Form REG-01, the primary application form for GST registration. It now includes an option to apply under Rule 14A, designed for small suppliers with monthly output tax liability up to ₹2.5 lakh, along with an Aadhaar OTP authentication feature to enable quick and secure identity verification. This addition allows applicants to opt for the simplified registration route directly while ensuring authenticity through Aadhaar validation. Form REG-02, which serves as the acknowledgement of receipt of an application, has been updated to reference Rule 14A. This ensures that all applications submitted under the new simplified regime are properly identified and processed within the system's three-day automated timeline. FORM REG-03, the format used by tax officers to seek clarifications or additional documents, has been revised to include withdrawal-related cases. This means officers can now raise clarifications both during initial registration and when a taxpayer applies to withdraw from Rule 14A. Correspondingly, Form REG-04, used by applicants to respond to such queries or to furnish additional information, has also been updated to cater to both registration and withdrawal proceedings. Form REG-05, which records the order of rejection of registration, has been amended to include "Withdrawal Applications" as a new category. Form REG-32 and REG-33 have been added. REG-32 is the application for withdrawal from the Rule 14A category, which taxpayers must file when their output tax exceeds ₹2.5 lakh per month or when they choose to transition to a regular registration. Once verified, the officer issues FORM GST REG-33, the official order approving withdrawal.

Conclusion

For startups and MSMEs, these changes are nothing short of transformative. Many small businesses operate with thin margins and limited administrative resources. Spending days, or even weeks, waiting for a GST number could mean losing clients or delaying operations. The new system, with its promise of a three-day turnaround and reduced documentation, brings much-needed agility to the compliance process. It's a step that aligns perfectly with India's broader "Ease of Doing Business" vision, where entrepreneurs are encouraged to innovate, not drown in bureaucracy. Yet, despite

all the automation and speed, the government has not compromised on safeguards. The new rules still include provisions for officer scrutiny in cases where the system flags inconsistencies. Data analytics remains at the core of risk assessment, ensuring that the balance between convenience and control is maintained. Moreover, by limiting multiple registrations under the same PAN for entities opting under Rule 14A, the CBIC has closed another loophole frequently exploited for tax evasion.

(References – Business Today, New Indian Express, India Briefing)



GREENVISSAGE EXPLAINS

Greenvissage



Can Gift City revive India's financial landscape?

When Finance Minister Nirmala Sitharaman inaugurated the new Foreign Currency Settlement System at Gujarat International Finance Tec-City (GIFT City) earlier this year, it was more than just another financial policy announcement. It symbolised India's renewed determination to reclaim offshore financial activities and position itself as a serious player in global finance. By enabling real-time dollar transactions within Indian borders, without routing through foreign intermediaries, India took a symbolic step toward financial sovereignty. Yet, beneath the celebratory rhetoric lies a complex reality: GIFT City remains an audacious gamble, one that pits India's top-down economic planning against the organic evolution of global financial ecosystems. GIFT City was conceived in 2007 as an ambitious plan to create a financial hub on the banks of the Sabarmati River, between Ahmedabad and Gandhinagar. The goal was to replicate the success of Singapore and Dubai, financial centres that transformed small economies into global finance magnets. The vision was to make GIFT one of the top five international financial centres (IFCs) in the world, a self-contained ecosystem where banks, funds, insurers, fintechs, and exchanges could transact freely in foreign currencies under a liberal regulatory regime. But building a financial city from scratch is not like constructing another industrial park. Global finance thrives on network effects, the interplay of trust, liquidity, legal predictability, and human capital that cannot simply be manufactured through infrastructure. Cities such as London or New York did not emerge from master plans; they grew organically over centuries of trade, maritime activity, and capital accumulation. Dubai and Singapore, while more deliberate, still took decades to mature, relying on strategic openness, political stability, and flexible governance.

A financial hub depends on three intertwined factors: liberal capital mobility, legal autonomy, and deep liquidity. India's financial architecture, however, has historically been risk-averse and protectionist. Strict foreign exchange controls, complex tax rules, and overlapping regulators have long deterred global investors. GIFT City was designed to circumvent these obstacles through the International Financial Services Centres Authority (IFSCA), a unified regulator meant to replace the overlapping jurisdictions of the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), and the Ministry of Finance. In theory, this arrangement allows GIFT to function like a foreign jurisdiction within India, where offshore-style transactions can occur without the heavy hand of Indian regulations. In practice, however, this autonomy remains constrained. The RBI and SEBI continue to exercise influence over key decisions, often wary of excessive liberalisation that could lead to tax arbitrage or regulatory evasion. When the IFSCA allowed new family offices to register in GIFT City, the RBI intervened to pause approvals over concerns that it might become a conduit for unregulated capital flows. Moreover, GIFT City lacks an independent legal system akin to the Dubai International Financial Centre (DIFC) or Singapore's International Commercial Court. Disputes arising in GIFT are still adjudicated in India's conventional court system, plagued by delays and procedural complexity, eroding confidence among global investors who prize judicial efficiency. Without a robust legal framework separate from India's domestic system, GIFT's promise of a transparent, efficient financial jurisdiction remains incomplete.

Perhaps GIFT City's most visible failure so far is urban, not financial. A financial hub is not just an office district; it is a living organism. It thrives on dense networks of professionals, schools, nightlife, restaurants, and cultural vibrancy. Today, GIFT City is home to roughly 28,000 workers, most of whom commute daily from Ahmedabad or Gandhinagar. Few choose to live there. The streets are empty by evening, and despite the gleaming skyscrapers, the city often feels like a ghost town. The collapse of IL&FS, one of the key promoters of GIFT City, in 2018 dealt a severe blow to the city's real estate and infrastructure momentum. Many residential and commercial projects stalled, and the lack of a robust urban fabric discouraged long-term settlement. For senior professionals with families, GIFT lacks the social and educational amenities found in Mumbai or Bangalore. Without this human capital base, the city risks becoming an administrative enclave rather than a dynamic ecosystem.

(References – Financial Times, Economic Times, Live Mint)



Why Mutual Funds will soon cost less in India?

The Securities and Exchange Board of India (SEBI) has released a consultation paper that proposes sweeping changes to how asset management companies (AMCs) charge for managing funds. These changes are designed to reduce hidden costs, enhance clarity for investors, and modernise a regulatory framework that has remained largely unchanged for decades. While this evolution will benefit investors through lower costs, it also introduces new challenges for fund houses that may need to rethink their business models. Over the past decade, mutual funds have evolved from niche investment vehicles to mainstream financial products. The industry has grown tremendously in scale, with total assets under management increasing many times over, and participation expanding beyond metropolitan areas to smaller towns through digital and distributor networks. As mutual funds have grown, so too have the fees charged by AMCs. These costs were justified initially by the need to expand distribution and educate investors. However, as the industry has matured, economies of scale have set in, making it increasingly possible to manage funds more efficiently.

A major reason costs are expected to fall lies in SEBI's recognition that the regulatory structure governing mutual fund expenses is outdated. Many of the existing rules were framed decades ago, during a period when the industry was much smaller and less competitive. SEBI's consultation paper marks a decisive attempt to align the cost framework with present realities. The regulator proposes to reduce brokerage and transaction costs that AMCs can pass on to investors, bringing them down from 12 basis points to 2 basis points for cash market trades and from 5 basis points to 1 basis point for derivatives. This represents a sharp cut of roughly 80 per cent and will likely force AMCs to internalise more of their trading expenses rather than passing them to investors.

Another crucial change is the exclusion of statutory levies such as GST, STT, and stamp duty from the total expense ratio (TER) cap. These charges will now need to be disclosed separately, providing greater transparency. This approach prevents fund houses from including these levies within their expense ratio and inflating costs indirectly. SEBI also plans to remove the small 0.05 per cent add-on that some schemes currently charge in connection with exit loads, except for the smallest open-ended schemes. Furthermore, the regulator has proposed an optional performance-linked fee model that would allow fund houses to charge more if their funds outperform benchmarks and less if they underperform. This initiative could foster a merit-based fee system that rewards genuine performance rather than simply asset size.

The new framework, however, will not be without consequences for fund houses. AMCs will likely face tighter profit margins due to the reduced flexibility in charging expenses. Research analysts have already warned that AMC's profitability could take a hit of up to ten per cent if these proposals are implemented in their current form. Smaller fund houses, which may lack scale or rely heavily on commissions and higher TERs, could be particularly vulnerable. This may trigger consolidation in the industry or push fund houses to invest in technology-driven operational efficiencies. Distributors, too, will need to adapt. With commissions coming under pressure, they may have to pivot from being primarily product sellers to becoming holistic financial advisors, focusing more on personalised service and value-added guidance rather than volume-based commissions.

Investors should expect a gradual transition as these changes are implemented. Mutual fund documents will soon display clearer breakdowns of costs, and expense ratios may adjust as fund houses adapt to the new norms. It will be important for investors to compare funds within similar categories and understand whether any remaining higher costs are justified by superior performance or differentiated strategies. The introduction of performance-linked fees will add another layer of complexity, and investors should pay attention to how benchmarks and performance thresholds are defined. Ultimately, while the cost structure becomes more transparent, thoughtful fund selection will remain essential.

(References – Reuters, Economic Times, Financial Express)



What are the New EPFO Rules for PF Withdrawal?

The Employees' Provident Fund Organisation (EPFO) has long been a pillar of India's formal financial system, quietly shaping the retirement savings of millions of salaried employees. But a fresh round of proposed rule changes in 2025 has reopened a familiar debate between government discipline and individual control. The new framework promises simplicity and better access on paper, yet it also introduces new restrictions that make many wonder whether their hard-earned savings are truly their own. For decades, the EPFO has functioned as a mandatory savings engine. Every month, 12 per cent of an employee's basic salary and dearness allowance goes toward a provident fund, matched by an equal contribution from the employer. That money earns a government-set interest rate, currently 8.25 per cent, and grows steadily over time. In theory, it's a brilliant safety net for a country where voluntary retirement saving remains weak. But the recent changes to withdrawal rules have challenged the balance between flexibility and security. The government's new proposal, marketed under the theme of ease of living, merges 13 separate withdrawal clauses into three broad categories: Essential Needs, Housing, and Special Circumstances. This is designed to cut paperwork and make it easier for employees to access funds for major life events such as marriage, education, or home purchases. More significantly, workers can now withdraw up to 100 per cent of their eligible balance, which includes both employee and employer contributions, along with accumulated interest. On the surface, that sounds like a win for employees who have long complained about the maze of paperwork and inconsistent rules governing withdrawals. However, the reform comes with a new condition that changes the dynamics entirely. At least 25 per cent of the provident fund corpus must now remain locked until retirement. The rest, up to 75 per cent, can be withdrawn after 12 months of continuous service, a reduction from the previous 5- to 7-year waiting period. For employees who lose their jobs, the new rule extends the waiting period for withdrawal from two months to twelve. Access to pension balances under the Employees' Pension Scheme (EPS) will be allowed only after three years of unemployment. These timelines mark a clear shift in focus from liquidity to longevity. From a policy standpoint, the change is rooted in sound logic. Data from the EPFO itself reveals that a majority of its members retire with less than ₹20,000 in their accounts, while almost three-quarters withdraw their pension funds within four years of joining. This erodes the entire purpose of the provident fund, which is to build a retirement cushion. As India's population ages rapidly, with senior citizens expected to make up more than 20 per cent of the population by 2050, the government fears an undersaved future workforce could push the burden of old-age support onto public finances. To prevent that, policymakers have embedded what economists call a commitment device, a mechanism that safeguards individuals from short-term decisions that compromise long-term welfare. Still, for many employees, the rule feels like overreach. After all, the provident fund isn't a government subsidy; it's part of their salary. Every contribution is deducted from earnings that have already been taxed. And yet, workers have no say in how the funds are managed, what the returns are, or when they can withdraw their own money. The EPFO sets the rate of return, allocates funds to various instruments, and can change withdrawal terms unilaterally. This imbalance of power has created frustration among private-sector workers who already face stricter restrictions than their government-sector counterparts. While civil servants enjoy flexible pension structures and access to the General Provident Fund, private employees often struggle with clunky digital systems, KYC mismatches, and delayed settlements. Critics also question how the locked funds are being utilised. The EPFO isn't just a savings repository; it is among India's largest institutional investors, holding nearly ₹25 lakh crore in assets. About 90 per cent of this money is parked in government securities, while the rest is invested in exchange-traded funds (ETFs). That money funds public infrastructure, provides liquidity to capital markets, and indirectly supports government borrowing. In effect, your provident fund doubles as a low-cost, long-term loan to the state. While this may make sense from a fiscal stability standpoint, it raises questions about fairness. Should workers be forced to subsidise the government's funding needs under the guise of retirement discipline?

(References – Economic Times, Money Control, Business Standard)



COMPLIANCE UPDATES

Greenvissage

Government policies

■ **FPI Inflows into Govt Bonds Hit Seven-Month High** | Foreign Portfolio Investors (FPIs) recorded their highest purchase of government securities in seven months, buying ₹13,397 crore under the Fully Accessible Route (FAR) in October. This marked a significant jump compared to the ₹8,333 crore bought in September. Market experts attributed the surge in inflows to several factors, including a stable rupee, the prospects of an upcoming trade deal, favourable interest rate differentials, and expectations of further monetary easing. As a result of this investment, the total FPI holding in government securities reached a record high of ₹3.17 lakh crore in October. (Financial Express)

■ **Government Scrutinises E-Commerce Price Hikes Despite GST Cuts** | Following numerous public complaints about price increases on some products, the government has sent queries to select e-commerce platforms to explain the higher prices despite GST 2.0 rate cuts effective from September 22. Officials are monitoring price changes across 54 categories, including FMCG, food, medicines, cement, and white goods, with monthly reports mandated to the CBIC. Although most items show price reductions, some remain unadjusted due to unsold stock. Nearly 3,000 GST-related complaints have been recorded on the National Consumer Helpline. The anti-profiteering mechanism under GST transitioned from the National Anti-Profiteering Authority to the Competition Commission of India and GST Appellate Tribunal, with the anti-profiteering clause set to sunset on April 1, 2025. (Hindustan Times)

Goods and services tax

■ **GST Portal Introduces Pending Option for Credit Notes** | The GST portal has rolled out a new feature within the Invoice Management System (IMS), allowing taxpayers to keep credit notes as Pending for one entire tax period. This initiative is designed to resolve numerous business disputes by giving taxpayers greater flexibility. Furthermore, the IMS functionality has been enhanced to permit taxpayers to modify their Input Tax Credit (ITC) reversal amount when they subsequently accept these pending credit notes. The GSTN team has published detailed FAQs to help taxpayers better understand and utilise this new facility, which streamlines the management of credit notes and related ITC adjustments.

■ **GSTR-9 Table 8A to Integrate New Invoice Management System (IMS)** | Taxpayers must note significant changes to the GSTR-9 annual return and GSTR-9C reconciliation statement for the Financial Year 2024-25. The new Invoice Management System (IMS) data will now be integrated into Table 8A for generating Input Tax Credit (ITC) figures, which are derived from GSTR-2B data filed up to October 2025. Key changes include a revamped derivation process for Table 8A, modifications to the computation for Table 8C, and the introduction of a new Table 6A1 to accurately reconcile ITC claims. Experts caution that while these reforms streamline compliance, businesses must realign their filing processes and ensure robust records before the December 31, 2025, deadline to avoid litigation risks. (Economic Times)

■ **GST Portal Adds Import of Goods Details to IMS** | The GST portal has further enhanced the Invoice Management System (IMS) by introducing a new section for Import of Goods. Starting with the October 2025 tax period, all Bill of Entry (BoE) records filed by taxpayers for the import of goods, including imports from SEZ units, will now be available in the IMS. This new feature allows recipient taxpayers to take action (accept, reject, or keep pending) on individual BoE records, mirroring the existing system for supplier invoices. Taxpayers should note that any BoE record on which no action is taken will be treated as deemed accepted, and the resultant action will be used by the GST Portal to generate the draft GSTR-2B on the 14th of the subsequent month. (GSTN)

Income tax

■ **I-T Portal Now Tracks Officer Review of Tax Submissions** | The Income Tax Department has rolled out a new feature on its e-filing portal that displays the exact date and time when the Assessing Officer (AO) or Commissioner of Income Tax (Appeals) [CIT(A)] has viewed a taxpayer's notice submission in faceless proceedings. This move offers concrete assurance that the documents have been accessed, reducing the uncertainty and preventing claims of non-consideration that often plague the system. The update is designed to improve procedural transparency, create a digital audit trail for officer accountability, and aid the Department in using analytics to identify and rectify internal delays. Tax experts hail it as an impactful reform promoting trust and efficiency in the faceless tax administration system. (The Economic Times)

■ **CBDT Extends Audit and I-T Return Deadlines for AY 2025-26** | The Central Board of Direct Taxes (CBDT) on Wednesday granted a second extension for key compliance deadlines, providing relief to companies, proprietorships, and firms requiring mandatory audits. Citing difficulties, including disruptions from floods and natural calamities in various regions, the CBDT has revised the dates for the Assessment Year (AY) 2025-26. The new deadline for submitting audit reports is now November 10, extended from October 31. Consequently, the deadline for filing the related Income Tax Returns has been pushed to December 10. This extension follows persistent representations from professional associations like chartered accountant bodies. (Financial Express)

■ **Bombay HC Quashes Tax Notice Citing Blind Use of AI** | The Bombay High Court has cancelled an Income Tax notice demanding an addition of over ₹22 crore, ruling that the tax department's process was unfair and violated natural justice. The court found that the Assessing Officer (AO) blindly relied on Artificial Intelligence (AI) to draft the notice, referencing three completely non-existent judicial rulings. The court stressed that while in the era of AI reliance is common, officers exercising quasi-judicial functions must cross-verify system-generated results. The AO was also found to have ignored the taxpayer's evidence and failed to provide a basis for the addition. The court quashed the order and remanded the matter, directing the officer to issue a fresh, reasoned notice and grant the taxpayer a full hearing. (Economic Times)

Corporate and allied laws

■ **Companies can file Financial Statements, Annual Returns till December 2025** | The Ministry of Corporate Affairs (MCA) has allowed companies to file their annual returns and financial statements for FY 2024-25 on the newly deployed MCA-21 version 3 portal without paying any additional fees until December 31, 2025. This relaxation covers key revised e-forms, including MGT-7 and AOC-4 series, and is granted due to requests from stakeholders needing time to adapt to the new e-form deployment. Experts stated that the move is a huge breather for companies navigating the new reporting mechanism and aligns with the government's vision to promote the ease of doing business. The MCA, however, clarified that

this circular does not extend the statutory time limit for holding Annual General Meetings (AGMs). (Financial Express)

■ **SEBI Hits Pause on T+0 Settlement Plan Due to Muted Demand** | The Securities and Exchange Board of India (SEBI) has indefinitely postponed the expansion of its planned T+0 settlement cycle after observing negligible investor interest and wafer-thin pilot volumes. The decision stems from concerns among market participants that operating a dual settlement system could fragment market liquidity and disrupt the smoother T+1 cycle currently in place. While most Qualified Stock Brokers (QSBs) had nearly completed the system work, they have reportedly requested SEBI to make the framework optional, arguing that the same-day settlement plan currently lacks a viable business case. (The Hindu Business Line)

Finance and banking

■ **Banks go '.bank.in' to Secure Digital Transactions** | A new Reserve Bank of India (RBI) directive came into effect today (Friday, October 31), mandating all banks to shift their official websites to the exclusive '.bank.in' domain. This measure is designed to significantly enhance cybersecurity, protect customers from phishing scams, and strengthen public trust in digital banking. Under the new rule, only RBI-regulated banks can register and use the '.bank.in' domain, establishing a verified, secure online identity system. Customers logging into leading lenders, including HDFC Bank, ICICI Bank, Axis Bank, and Kotak Mahindra Bank, will now see updated URLs ending with ".bank.in". (Business Today)

Customs and foreign trade

■ **CBIC Consolidates 31 Customs Notifications for Simplified Compliance** | The Central Board of Indirect Taxes and Customs (CBIC) has announced a major administrative reform, consolidating 31 customs duty exemption notifications into a single, unified structure: Notification No. 45/2025-Customs. Effective from November 1, 2025, the new master notification supersedes the principal Notification No. 50/2017-Customs and 30 other standalone exemption notices. The CBIC emphasised that existing concessions are not disturbed, and the move is a trade-friendly step aimed at reducing fragmented references and enhancing transparency. Minor substantive changes

include broadening the exemption for AIESL aircraft maintenance parts and omitting a redundant 5% duty entry for certain bulk drugs. Consequential amendments have also been made to GST rate schedules to ensure alignment. (CBIC)

Payroll and personal finance

UIDAI Announces Major Changes for Aadhaar Updates |

The Unique Identification Authority of India (UIDAI) has implemented several major changes starting November 1, 2025.

Individuals can now modify key details like name, address, date of birth, or mobile number entirely online, eliminating the need to visit enrolment centres. Simultaneously, the government has made Aadhaar-PAN linking mandatory by December 31, 2025, with failure resulting in PAN card deactivation from January 1, 2026. UIDAI also introduced a new fee structure: ₹75 for demographic updates, ₹125 for biometric updates, and free biometric updates for children aged 5–7 and 15–17 years. Furthermore, online document updates remain free until June 14, 2026. (Moneycontrol)



ECONOMIC INDICATORS

Greenvissage

■ Key Economic Indicators

Indicator	As on	Current	Prior
GDP Growth (%)	Jun-25	7.80	7.40
Unemployment (%)	Sep-25	5.20	5.10
Inflation (%)	Sep-25	1.54	2.07
Balance of Trade (\$bn)	Sep-25	(32.15)	(26.49)
Business confidence	Sep-25	126.00	118.00
Manufacturing PMI	Oct-25	59.20	57.70
Services PMI	Oct-25	58.80	60.90

(Trading Economics)

■ Global Indices

Index	Country	Change %
NIFTY 50	India	2.83%
BSE SENSEX	India	2.77%
NIFTY BANK	India	4.03%
INDIA VIX	India	25.94%
DOW JONES	USA	1.24%
S&P 500	USA	2.03%
NASDAQ	USA	4.63%
S&P/TSX	Canada	-0.65%
BOVESPA	Brazil	4.34%
DAX	Germany	-2.23%
FTSE 100	UK	1.72%
CAC 40	France	-0.83%
FTSE MIB	Italy	-0.72%
MOEX	Russia	-1.29%
NIKKEI 225	Japan	8.19%
S&P/ASX 200	Australia	-1.93%
SHANGHAI	China	1.99%
HANG SENG	Hong Kong	-4.38%
KOSPI	South Korea	16.13%

(Investing.com)

■ Commodities Futures

Commodity	Expiry	Price	Change %
Gold	Dec-25	1,20,800.00	2.94
Silver	Dec-25	1,46,217.00	0.42
Crude Oil	Nov-25	5,348.00	(1.76)
Natural Gas	Nov-25	376.10	25.91
Aluminum	Nov-25	272.15	4.73
Copper	Nov-25	997.00	0.95
Zinc	Nov-25	303.00	2.90

(MCX India)

■ Currency Exchange Rates

Pair	Current	Prior	Change %
USD/INR	88.72	88.78	0.06
GBP/INR	116.69	119.32	2.20
EUR/INR	102.67	104.08	1.35
YEN/INR	57.61	60.16	4.24

(FBIL India)

■ Cryptocurrencies

Pair	Crypto	Price	Change %
BTC/USD	Bitcoin	1,04,110.00	(14.98)
ETH/USD	Ethereum	3,505.00	(22.23)
BNB/USD	Binance	949.00	(19.01)
SOL/USD	Solona	161.00	(29.94)

(Crypto.com)

■ Bank Policy Rates

Type	Current	Prior	Change %
Repo rate	5.50	5.50	-
Standing deposit	5.25	5.25	-
Marginal facility	5.75	5.75	-
Bank rate	5.75	5.75	-
Reverse Repo	3.35	3.35	-

(RBI India)



For queries and feedback, please write to us at **info@greenvissage.com**

To read previous issues, visit **greenvissage.com/resources**

Disclaimer

This newsletter is a compilation work by Greenvissage editorial team, for private circulation, to update and educate the intended audience and by no means rendering professional advice or service. This newsletter is meant for general information only.

The newsletter may contain proprietary information and thus is restricted for further circulation. We do not claim any copyrights for the images used.

Opinions expressed in the newsletter are those of the individual writers who have contributed to the newsletter and not of the enterprise. While sufficient care has been taken to ensure the accuracy of the information, we recommend readers to take any decisions in consultation with a professional.

The enterprise shall not be responsible for any loss whatsoever sustained by any person or entity by reason of access to, use of or reliance on, this newsletter. By using this newsletter or any information contained in it, the user accepts this entire notice and terms of use.