GREENVISSAGE BUSINESS CONSULTING LLP'S

# GREEN DIGEST

EVERYTHING THAT CONCERNS YOUR MONEY

# THE IPO RUSH

18 PAGES | ISSUE 69 | JUNE 2026 | 31 MINUTES

# IN THIS ISSUE





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, Bhumiraj Costarica,
Off Palm Beach Road, Sector 18, Sanpada,
Navi Mumbai – 400705, India

Google Maps

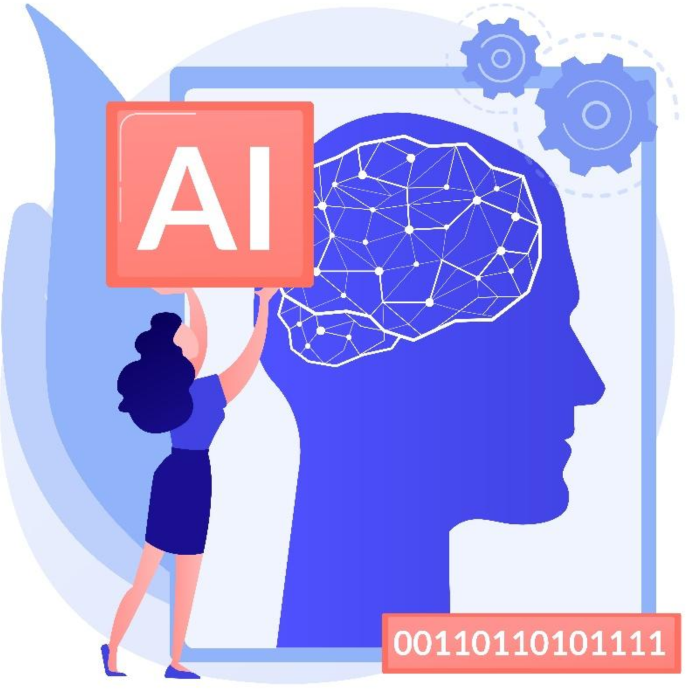
Email: info@greenvissage.com

Call: +91 82378 57853

# SPOTLIGHT

Greenvissage

# The Great AI IPO Rush – Every startup dreams of disruption but ends up as an expensive appetizer!




## Background

For years, Silicon Valley sold a familiar story. A small group of engineers would leave a giant technology company, build something revolutionary in a garage, attract venture capital, challenge incumbents, and eventually become the next generation of giants themselves. Artificial intelligence was supposed to be the grandest version of that story. Instead, it is increasingly beginning to resemble something else entirely: a highly efficient talent recycling program with trillion dollar price tags. Last week offered one of the clearest snapshots yet of how dramatically the AI landscape has changed. Anthropic reportedly raised an astonishing $65 billion, pushing its valuation toward the trillion dollar mark. Around the same time, reports emerged of confidential IPO filings, enormous capital raises, strategic investments from semiconductor manufacturers, and a growing wave of acquisitions that continue to reshape the industry. Viewed individually, these developments look like another week in AI. Viewed together, they reveal something deeper. The most important shift in artificial intelligence is no longer technological. It is financial. The story is no longer about who can invent the next breakthrough model. It is increasingly about who controls the capital, infrastructure, distribution, and talent required to industrialize those breakthroughs at global scale. That distinction matters because industries tend to behave very differently once innovation gives way to consolidation. The AI industry may have just crossed that line.

## VCs stopped looking like VCs

At first glance, 2025 and 2026 appear to represent a renaissance for venture investing. According to KPMG's Venture Pulse data, global venture funding in the first quarter of 2025 reached roughly $330 billion, surpassing even the heights of the pandemic era technology boom. Such figures would ordinarily suggest a thriving startup ecosystem filled with experimentation and risk taking. The reality is more complicated. A remarkable share of that capital flowed into a tiny number of companies. OpenAI, Anthropic, and xAI absorbed a disproportionately large portion of global funding activity. Rather than thousands of investors making thousands of independent bets on the future, capital has become concentrated around a handful of perceived winners. This is not a venture capital market behaving like a discovery engine. It is a venture capital market behaving like a sovereign wealth fund.

Traditionally, venture investing was built around uncertainty. Investors funded dozens of companies because they could not predict which one would dominate. Today's AI investment landscape increasingly reflects the opposite assumption. Investors believe the winners have already been identified. The consequence is profound. When capital begins concentrating around established leaders, the market gradually loses its exploratory function. Investors stop searching for future champions and instead focus on reinforcing existing ones. The result is a self reinforcing cycle. More capital creates more computing power. More computing power improves models. Better models attract more customers. More customers generate more revenue. Higher revenue justifies larger funding rounds. Scale begins producing scale.

## AI’s real product is not intelligence

Most discussions about artificial intelligence focus on model capabilities. The conversation revolves around reasoning, coding, multimodal systems, and benchmark performance. Yet the most valuable product emerging from AI may not be intelligence itself. It may be dependency. Consider the significance of semiconductor companies such as Samsung, Micron, and SK Hynix reportedly participating in Anthropic's funding round. These firms are not known for speculative startup investing. Their businesses revolve around supplying foundational components to the global technology ecosystem. When infrastructure companies invest in software platforms, they are often making a strategic statement. They are effectively acknowledging that a technology has become important enough that their own future depends on remaining connected to it. Historically, similar patterns appeared in telecommunications networks, payment systems, cloud computing, and semiconductor manufacturing. The critical transition occurs when a technology ceases to be a product and becomes infrastructure. Infrastructure occupies a unique position in capitalism. Customers may choose among products. They rarely choose whether to use infrastructure. Electricity providers compete. Businesses do not compete on whether electricity is necessary. Cloud providers compete. Few technology companies debate whether cloud infrastructure is necessary. The growing participation of infrastructure players in AI financing suggests that large sections of the market increasingly view frontier AI models through a similar lens. Not as software. As infrastructure.

## Revenue that arrives before profit

Another striking feature of today's AI leaders is the extraordinary speed with which revenue is materializing. AI coding assistants offer perhaps the clearest example. Historically, major software categories took years, sometimes decades, to mature into multi billion dollar businesses. Enterprise databases, cybersecurity platforms, customer relationship software, and cloud services all required lengthy adoption cycles. AI coding tools appear to be compressing that timeline dramatically. The reason extends beyond productivity gains. Software development occupies a unique position inside modern organizations. Every company is now a technology company to some degree. Improving developer productivity therefore creates a multiplier effect that propagates through entire businesses. A tool that saves one hour per week for a software engineer is useful. A tool that saves ten hours per week for hundreds of thousands of engineers becomes economically transformative. This helps explain why AI coding has emerged as one of the fastest monetizing categories in technology history. Yet there is a paradox. Despite remarkable revenue growth, many leading AI firms continue to burn enormous amounts of capital. This creates an unusual dynamic. Revenue demonstrates demand. Losses demonstrate the cost of serving that demand. For investors, the key question becomes whether these companies resemble Amazon during its investment heavy years or whether they represent a fundamentally different economic model where infrastructure costs permanently suppress profitability. Public markets may soon begin answering that question.

## IPO wave is only a capital transfer

The recent IPO filings and preparations across leading AI firms have been widely interpreted as validation of the sector's success. That interpretation is correct. But it is incomplete. Another way to view the coming IPO wave is as a transfer mechanism. For the past several years, private investors funded the construction of AI infrastructure. Venture firms, sovereign funds, strategic investors, and technology giants collectively financed model development, data centers, talent acquisition, and distribution networks. Public listings represent the next stage of that process. The burden of financing future expansion gradually shifts toward public market investors. This is not unusual. Every technology cycle eventually transitions from private capital to public capital. What makes AI distinctive is the scale. The capital requirements associated with frontier models are unlike anything the software industry has previously encountered. Training costs, inference costs, data center investments, energy consumption, and hardware procurement all push the industry closer to characteristics traditionally associated with utilities and industrial companies. The irony is difficult to miss. Artificial intelligence is often described as the most software driven revolution in history. Yet its economics increasingly resemble heavy industry.

## The disappearing startups

Perhaps the most overlooked transformation is occurring at the startup level. For decades, venture capital followed a relatively predictable lifecycle. Startups raised seed funding, expanded through successive rounds, and eventually pursued either acquisition or public listing. The AI era is reshaping those pathways. As incumbents become larger and wealthier, they can acquire promising challengers long before those challengers develop into meaningful competitors. The economics are compelling. A startup founder faced with a multibillion dollar acquisition offer must compare that certainty against years of execution risk. Investors face the same calculation. As acquisition premiums rise, the incentive to remain independent weakens. Over time, this changes the structure of innovation itself. Rather than creating future competitors, startups increasingly function as outsourced research laboratories for dominant platforms. Innovation still occurs. Ownership becomes concentrated. This distinction matters because competitive ecosystems depend not only on innovation but also on the existence of independent institutions capable of scaling that innovation. Without that second step, technological diversity gradually declines.

The most fascinating aspect of the AI industry may be the emergence of what could be called a closed loop innovation economy. Talent leaves major labs. Founders create startups. Startups build valuable products. Large incumbents acquire those products. Talent returns to large incumbents. The cycle repeats. From a resource allocation perspective, this system is remarkably efficient. From a competitive perspective, it raises questions. Closed loops tend to optimize existing paradigms rather than generate radically new ones. Historically, transformative technological shifts often emerged from outsiders operating beyond established networks. Personal computers challenged mainframes. Search challenged portals. Smartphones challenged desktop computing. The next major AI disruption may require a similar outsider. Yet the industry's current structure makes such outcomes increasingly difficult. Capital is concentrated. Infrastructure is concentrated. Talent is concentrated. Distribution is concentrated. The barriers facing newcomers grow higher each quarter.

## The wrong question

Much of the public conversation still focuses on which company will win the AI race. That may be the wrong question. The more important question is whether the race is already over. Not in terms of technological progress. AI capabilities will continue advancing. The uncertainty lies elsewhere. Can entirely new players still emerge? Can startups realistically challenge frontier model providers? Can innovation remain decentralized when capital, infrastructure, and talent increasingly flow toward the same handful of institutions? Anthropic's massive funding round is significant not merely because of its size. It symbolizes a broader transition. The AI industry is moving from exploration to exploitation. From discovery to consolidation. From startups to institutions. History suggests that periods like this often create extraordinary value. They can also create blind spots. The next great AI company may not emerge from the existing race at all. It may arrive from an adjacent field, a new computing paradigm, or an unexpected technological breakthrough that today's leaders are not optimized to pursue. That possibility remains the most important source of uncertainty in an industry that increasingly appears certain about everything.

*(References – The Ken, Live Mint, Business Insider)*

# EXPERT OPINION

Greenvissage

# Input Tax Credit – Legal Architecture, Challenges & Credit Flow

By Amit Chandak, Managing Partner, Greenvissage

## Introduction

The promise of the Goods and Services Tax was deceptively simple: tax should apply only to value addition, not repeatedly at every stage of production and distribution. When India implemented GST on July 1, 2017, policymakers envisioned a seamless national market where taxes paid on business inputs could move uninterrupted through the supply chain until the final point of consumption. At the centre of this vision stood the mechanism of Input Tax Credit (ITC), arguably the most important operational feature of the GST framework. Without an effective ITC system, GST would lose its character as a value-added tax and revert to the cascading tax burden that plagued the pre-GST era.

However, nearly even after a decade of its introduction, ITC remains both the greatest strength and the most litigated aspect of India's GST regime. While the credit mechanism has substantially improved tax neutrality and reduced hidden taxation costs, its implementation has become increasingly complex due to legislative amendments, technological dependencies, compliance conditions, anti-evasion measures, and evolving judicial interpretations. The utilisation of ITC today involves much more than merely offsetting taxes paid on purchases against taxes collected on sales. It requires businesses to navigate a sophisticated legal framework where eligibility, timing, supplier compliance, return matching, blocked credits, reversal provisions, and utilisation sequencing all play critical roles.

## What is Input Tax Credit?

The concept of Input Tax Credit (ITC) originates from the fundamental principle that businesses should not bear the burden of indirect taxes on inputs used in commercial activities. Under the GST regime, tax paid on purchases of goods, services, and capital goods used in the course or furtherance of business can generally be claimed as credit and utilised against output tax liability. This ensures that tax is effectively imposed only on the incremental value added at each stage of the supply chain. The mechanism not only prevents cascading taxation but also enhances economic efficiency by reducing distortions in business decisions and pricing structures.

The statutory foundation of ITC under the Central Goods and Services Tax Act, 2017 is spread across several interconnected provisions. Sections 16 and 17 establish the rules governing eligibility and restrictions. Sections 49, 49A, and 49B regulate the manner of utilisation, while various rules under the CGST Rules, 2017 prescribe operational procedures. Together, these provisions create a legal ecosystem that determines who can claim ITC, under what conditions it can be availed, how it must be utilised, and when it must be reversed.

Section 16 serves as the gateway provision for ITC eligibility. A registered taxpayer must satisfy multiple conditions before claiming credit. The taxpayer must possess a valid tax invoice or prescribed document, must have actually received the goods or services, must have filed the required GST returns, and must ensure that the tax charged by the supplier has been paid to the government. Over time, the legislature has strengthened these conditions, particularly through amendments linking ITC eligibility to supplier reporting requirements. The introduction of invoice matching through auto-generated statements such as GSTR-2B has transformed the compliance landscape. While this system enhances transparency and reduces opportunities for fraud, it also places considerable dependence on supplier behaviour, often exposing recipients to risks beyond their control.

## Compliance-linked ITC model

One of the most significant developments in the GST era has been the gradual shift from a taxpayer-centric credit model to a compliance-linked credit model. Under the current framework, the recipient's entitlement to ITC is increasingly influenced by whether the supplier has properly reported transactions and discharged tax liabilities. This represents a major departure from traditional VAT principles, where the purchaser's right to credit was generally independent of subsequent supplier defaults. The resulting tension between revenue protection and taxpayer rights continues to generate substantial litigation across Indian courts.

Equally important are the restrictions imposed under Section 17(5), commonly referred to as the blocked credit provisions. These provisions deny ITC on specified categories of expenditure even when such expenses may be connected to business activities. Credits relating to certain motor vehicles, food and beverages, health services, club memberships, employee welfare benefits, works contracts, and construction-related activities are generally restricted unless specific exceptions apply. The rationale behind these exclusions is to prevent claims relating to personal consumption or non-business use. However, the broad wording of several restrictions has resulted in significant interpretational disputes.

The construction sector provides a particularly noteworthy example. Businesses investing heavily in infrastructure often argue that assets integral to production or service delivery should qualify as plant and machinery, thereby allowing ITC. Tax authorities, however, have frequently adopted narrower interpretations. Industries such as telecommunications, logistics, power generation, warehousing, and petroleum have witnessed prolonged disputes over whether particular structures qualify for credit eligibility. The absence of consistent judicial outcomes has further contributed to uncertainty.

## Utilisation of ITC

The practical utilisation of ITC occurs through the Electronic Credit Ledger maintained on the GST portal. Once credit is validly availed, it is reflected in this ledger and becomes available for offsetting output tax liabilities. The system segregates credits into Integrated GST (IGST), Central GST (CGST), and State GST (SGST) categories. This classification is not merely administrative; it directly affects the manner in which credits may be utilised.

The order of utilisation has undergone substantial evolution since GST's introduction. Initially, taxpayers enjoyed relatively greater flexibility in applying available credits. However, the insertion of Sections 49A and 49B significantly altered this position by mandating the prior utilisation of IGST credit before the deployment of CGST or SGST credits. Subsequent amendments and rule changes have further refined the sequence. While these measures were intended to improve revenue settlement between the Centre and States, they have often reduced operational flexibility for businesses.

For taxpayers with complex supply chains, the utilisation sequence can create substantial working capital challenges. Exporters, importers, and businesses operating across multiple states frequently accumulate credits under specific tax heads while facing liabilities under others. Mandatory sequencing requirements can delay optimal utilisation and result in avoidable cash outflows. Such inefficiencies undermine one of

GST's primary objectives: the seamless movement of tax credits across economic activities.

The introduction of Rule 86B added another layer of complexity. Effective from January 2021, the rule requires certain taxpayers with substantial turnover to discharge a minimum portion of their tax liability through cash rather than entirely through ITC. Although introduced as an anti-fraud measure to combat fake invoicing and circular trading, the provision has attracted criticism from industry stakeholders. Many argue that forcing genuine taxpayers to make cash payments despite possessing legitimate credit balances contradicts the fundamental philosophy of GST. The rule illustrates the broader challenge facing GST administration: balancing anti-evasion measures with ease of doing business.

## ITC reversal rules

ITC reversals represent another critical area of compliance. Credit once availed is not necessarily permanent. Multiple situations require reversal of ITC, including non-payment to suppliers within prescribed timelines, utilisation of inputs for exempt supplies, non-business usage, cancellation of registration, and certain changes in business structure. The rules governing proportional reversals under Rules 42 and 43 are particularly intricate and often require detailed calculations involving taxable and exempt turnover ratios. For large organisations with diverse operations, these calculations can become highly resource-intensive. The financial consequences of incorrect reversals or failure to reverse credit can be significant. Interest liabilities, penalties, and litigation costs frequently exceed the underlying credit amount. Consequently, businesses increasingly invest in sophisticated GST compliance systems, automated reconciliation tools, and specialised advisory support to manage ITC-related risks.

Judicial interpretation has played a decisive role in shaping the contours of ITC law. Courts across India have repeatedly examined the extent to which procedural non-compliance should affect substantive credit rights. A recurring issue concerns whether a bona fide purchaser can be denied ITC because of supplier default. Several High Courts have adopted a taxpayer-friendly approach, holding that recipients acting in good faith should not suffer for failures committed by suppliers over whom they exercise no control. Recent judicial trends have continued to emphasize proportionality and fairness in the application of ITC conditions. At the same time, courts have acknowledged that ITC remains a statutory entitlement subject to legislative conditions rather than an absolute constitutional right. This delicate balance continues to define the evolving jurisprudence surrounding GST credits.

## Conclusion

Looking ahead, the long-term effectiveness of the ITC framework will depend on its ability to reconcile competing objectives. Revenue protection remains essential, but excessive compliance burdens can diminish GST's efficiency gains. A more balanced system would distinguish clearly between genuine taxpayers and deliberate fraudsters. Recipient rights could be strengthened where commercial transactions are genuine and due diligence has been exercised. Enhanced data analytics, real-time monitoring, and targeted enforcement may prove more effective than broad restrictions affecting the wider business community. There is also a strong case for rationalising blocked credit provisions and simplifying reversal methodologies. Greater clarity in legislative drafting, reduced reliance on retrospective amendments, and improved technological infrastructure would significantly enhance certainty. As India's economy becomes increasingly integrated and digitalised, the ability of businesses to access and utilise ITC efficiently will remain a critical determinant of GST's success.

*(References – Economic Times, Times of India, Frontline by the Hindu)*

# COMPLIANCE UPDATES

Greenvissage

## Government policies

🟩 **Cabinet Approves ECLGS 5.0 Implementation |** The Union Cabinet has approved the launch of the Emergency Credit Line Guarantee Scheme 5.0 to extend critical financial relief to Indian businesses navigating disruptions caused by the West Asia crisis. Administered through the National Credit Guarantee Trustee Company Limited, the targeted liquidity scheme offers a 100 per cent credit sovereign guarantee for Micro, Small, and Medium Enterprises alongside a 90 per cent coverage ratio for larger non-MSME businesses and the civil aviation sector. Eligible corporate applicants must maintain standard, non-NPA credit accounts as of the baseline cutoff date of March 31, 2026. Under the structured framework, standard commercial borrowers can secure additional emergency credit up to 20 per cent of their peak working capital utilised during the final quarter of the financial year 2025–26, with the total facility capped at ₹100 crore. Passenger airlines face a specialized relief parameter allowing up to 100 per cent of their peak credit utilization up to a maximum threshold of ₹1,500 crore per borrower, provided that any disbursement exceeding ₹1,000 crore is matched by proportionate equity infusion from the entity's promoters. The entire program operates with a nil guarantee fee structure and remains fully open for financial sanctions across scheduled commercial lending institutions until March 31, 2027. (Business Standard)

## Goods and services tax

🟧 **GSTN Mandates New E-Way Bill Fields |** The Goods and Services Tax Network has issued a compliance advisory introducing major functional enhancements to the e-way bill portal to strengthen data integrity and traceability. Under the revised framework, the capture of the Ship To GSTIN field is made mandatory for all Bill-To/Ship-To transactions during document generation, with unregistered consignees requiring the standard code URP. Additionally, a new voluntary lifecycle feature allows suppliers, recipients, transporters, or authorized drivers to formally close an active electronic bill on the day of delivery or the immediately succeeding day. The network has made the updated integration application programming interfaces live in the sandbox environment for system testing. Enterprise resource planning vendors, application service providers, and business taxpayers must implement these technical configuration upgrades to ensure operational readiness before the official production environment rollout on June 15, 2026. (Goods and Services Tax Network)

🟧 **GSTN Deploys New Refund Utility |** The Goods and Services Tax Network has issued a compliance advisory on May 18, 2026, announcing the deployment of a standardized Excel-based Annexure-B Offline Utility to fully automate refund claims involving accumulated input tax credit. Moving away from traditional PDF attachments, regular taxpayers seeking refunds under exports, special economic zone supplies, or inverted duty structures must mandatorily report granular inward supply data through this new system interface. The tracking utility requires data to be classified under distinct HSN or SAC codes and bifurcated into specific categories including inputs, input services, and capital goods, forcing single invoices with multiple items to be split proportionally across separate line items. To eliminate duplicate file submissions, the verification portal will completely reject repeating entries that share matching criteria across supplier identification numbers, document numbers, supply classifications, and commodity codes. All uploaded invoice rows relating to tax periods from November 2024 onwards will undergo automated matching and cross-verification with GSTR-2B logs, generating a dedicated error report for validation failures while allowing a maximum cap of 2,50,000 line items via multiple JSON file uploads per single refund application. (Goods and Services Tax Network)

## Corporate and allied laws

🟧 **SEBI Proposes Major Buyback Relaxation |** The Securities and Exchange Board of India has released a detailed consultation paper on May 8, 2026, proposing extensive revisions to the SEBI (Buy-Back of Securities) Regulations, 2018. The markets regulator has proposed the reintroduction of the open market buy-back route via stock exchanges with a tightly compressed completion timeline of 66 working days from the date of the offer opening. To drive down procedural expenses and improve operational efficiency for listed corporations, the board has proposed dispensing with the mandatory appointment of merchant bankers, instead redistributing necessary compliance verification duties directly to the company, secretarial auditors, and stock exchanges.

Furthermore, listed companies will be mandated to electronically communicate buy-back offers to all registered shareholders within one working day of the official public announcement. The draft proposal explicitly prohibits issuers from initiating any buy-back mechanism that risks breaching the statutory 25 per cent minimum public shareholding threshold. (SEBI)

🟩 **MCA Expands CSR Funding Scope |** The Ministry of Corporate Affairs has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2026, alongside amendments to Schedule VII of the Companies Act, 2013, to recognise subscriptions to Zero Coupon Zero Principal instruments listed on the Social Stock Exchange as an eligible corporate social responsibility activity. Under the newly inserted Rule 4A, companies can deploy a maximum of 10 per cent of their total annual corporate social responsibility expenditure for a financial year through these exchange-listed securities. Eligible instruments must be issued exclusively by registered Not for Profit Organisations to fund public welfare projects for a maximum tenure of three succeeding financial years. Subscribing corporate entities are completely exempt from conducting mandatory impact assessments for projects financed via this route. Responsibility for project execution, evaluation, and funding deployment reports remains anchored with the issuing non-profit entity. Any unspent funding remaining after the termination of the instrument's listing must be transferred to a government fund specified under Schedule VII, with compliance reported to the Securities and Exchange Board of India. (The Economic Times)

🟥 **ICSI Flags MCA Portal Deficiencies |** The Institute of Company Secretaries of India has submitted a comprehensive representation on May 6, 2026, to the Ministry of Corporate Affairs highlighting critical operational hurdles on the updated MCA-21 V3 digital platform. The statutory corporate governance body stated that persistent system glitches are triggering filing inefficiencies and leading to unintended statutory non-compliances among businesses. Key technical issues raised include the frequent deletion of saved drafts during unexpected session timeouts, login failures inside the specialized switch-user functionality, and strict file size parameters that cause document attachments to fail repeatedly. To minimize the compliance burden, the professional trade institute has recommended adding robust auto-save triggers, introducing flexible editing modules for finalized e-forms like AOC-4 and SH-7, and expanding text character limits for address fields in corporate SPICe+ forms. Implementing these system-level corrections remains essential for restoring corporate stakeholders' confidence and preserving the government's wider digital transparency initiatives. (The TaxCorp AI)

## Finance and banking

🟧 **IFSCA Formulates New TCSP Framework |** The International Financial Services Centres Authority has officially notified the TechFin and Ancillary Services (Amendment) Regulations, 2026, creating a dedicated regime for Trust and Company Service Providers. The updated guidelines introduce a fresh Chapter VA to the 2025 base regulations, making it mandatory for entities to secure an official certificate of registration before initiating leasing-related trust and corporate operations. Eligible applicants must be incorporated locally as companies or limited liability partnerships, and all promoters are strictly barred from belonging to high-risk jurisdictions flagged by the Financial Action Task Force. Registered providers are mandated to set up a dedicated governing body, institute internal audit mechanisms, and designate full-time principal and compliance officers who possess professional qualifications alongside a minimum of five years of financial services experience. (Economic Times)

## Customs and foreign trade

🟩 **Govt Extends Import Relief Till 2027 |** The Ministry of Commerce and Industry has issued the Air Conditioner and its Related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Amendment Order, 2026, to extend conditional import exemptions for specified hermetic compressors. Effective from its official publication, the regulation permits cooling appliance manufacturers to import limited volumes of compressors for captive consumption without full quality-control restrictions until March 31, 2027. Under the revised framework, the import allowances are calculated based on the baseline import volumes of the financial year 2024–25, allowing up to 40 per cent for small reciprocating refrigerator compressors, 30 per cent for small rotary air conditioner compressors, 90 per cent for larger scroll and rotary compressors, and 100 per cent for large rotary compressors in variable refrigerant flow systems. To comply with these updated norms, companies must maintain comprehensive monthly records of all imported items on their official letterheads signed by an authorised signatory and formally submit a phased local production roadmap to the Central Government. (NDTV Profit)

## Accounting and management

🟧 **Bar Association Demands MDP Framework |** The Sales Tax Bar Association has submitted a comprehensive representation on May 11, 2026, to the Bar Council of India and the Ministry of Law and Justice urging structural reforms in the legal profession. The trade body, representing approximately 2,000 tax professionals, has formally requested an amendment to Rule 2 under Chapter III of Part VI of the Bar Council of India Rules. This current regulatory provision places an absolute prohibition on advocates from forming partnerships or sharing fee remuneration with individuals outside the legal fraternity. The representation proposes the legal recognition of Multi-Disciplinary Partnerships to bring the legal sector on par with frameworks already available to chartered accountants, company secretaries, and cost accountants. Under the envisioned framework, advocates would be permitted to co-found integrated corporate firms alongside non-advocates to streamline multi-disciplinary client operations across taxation, auditing, valuation, and insolvency. (The TaxCorp)

🟧 **NFRA Guidelines Prescribe Audit Timelines |** The National Financial Reporting Authority has formalised its comprehensive Audit Quality Inspection Guidelines under the regulatory powers of Section 132 of the Companies Act, 2013. The oversight framework establishes mandatory, time-bound operational limits for professional firms to formally reply to and remediate quality deficiencies identified during independent regulatory checks. Inspected auditors are strictly required to submit their comprehensive written responses to a draft inspection report within 10 days of its official issuance. Furthermore, firms must file an actionable remediation plan within 90 days, while absolute compliance with all final inspection observations must be achieved within a maximum threshold of 180 days. The guidelines explicitly empower the regulator to publicly publish detailed non-compliance findings on its website while protecting legally proven proprietary or confidential operational data. To ensure transparent corporate governance, the authority has strongly encouraged statutory auditors to formally present finalized inspection reports directly before the independent audit committees of their public interest client entities. (The Economic Times)

## Payroll and personal finance

🟥 **OMCs to Verify LPG Subsidy Eligibility |** State-run oil marketing companies have initiated a fresh database verification drive to identify and discontinue cooking gas subsidies for ineligible high-income households. Under a directive from the Ministry of Petroleum and Natural Gas, the data systems are actively cross-matching consumer registration profiles with official records from the Income Tax Department. Consumers whose gross taxable income, or that of a linked family member such as a spouse, is found to exceed the prescribed limit of ₹10 lakh per annum are being issued formal automated SMS notices. To dispute the tax department's findings or raise a valid grievance, affected taxpayers are required to contact the official toll-free helpline or register an objection on the designated digital portal of their respective oil company within seven days of receiving the message. Failure to submit the required clarification or response within this stipulated seven-day compliance window will result in the permanent discontinuation of their monthly LPG subsidy benefits thereafter. (The Hindu)

🟧 **PFRDA Proposes Faster Grievance Timelines |** The Pension Fund Regulatory and Development Authority has issued an exposure draft on May 21, proposing critical structural changes to the PFRDA (Redressal of Subscriber Grievance) Regulations, 2015. The new framework introduces sharply compressed compliance timelines to expedite dispute resolution under the National Pension System. Under the four-tier escalation matrix, frontline nodal offices and intermediaries must resolve registered complaints within 14 days, down from the existing 30-day limit. Unresolved cases will now bypass the NPS Trust at the second tier, moving directly to a dedicated PFRDA Grievance Cell with a strict seven-day disposal mandate. Furthermore, the proposed adjudication timelines for the Ombudsman and the Designated Member of the authority are capped at 30 days and 15 days respectively. The regulator has broad-based the scope of eligible complainants to include nominees, legal heirs, and dependents of deceased subscribers while inviting stakeholder feedback on these draft rules until June 20, 2026. (The Policy Edge)


# ECONOMIC INDICATORS

Greenvissage

## Key Economic Indicators

| Indicator | As on | Current | Prior |
|---|---|---|---|
| GDP Growth (%) | Dec-25 | 7.80 | 8.20 |
| Unemployment (%) | Apr-26 | 5.20 | 5.10 |
| Inflation (%) | Apr-26 | 3.48 | 3.40 |
| Balance of Trade ($bn) | Apr-26 | (28.38) | (20.67) |
| Business confidence | Mar-26 | 119.00 | 126.00 |
| Manufacturing PMI | May-26 | 55.00 | 54.70 |
| Services PMI | May-26 | 59.80 | 58.80 |

(Trading Economics)

## Commodities Futures

| Commodity | Expiry | Price | Change % |
|---|---|---|---|
| Gold | Aug-26 | 1,59,307.00 | 4.20 |
| Silver | Jul-26 | 2,63,764.00 | 0.29 |
| Crude Oil | Jun-26 | 9,119.00 | 1.32 |
| Natural Gas | Jun-26 | 309.60 | 15.35 |
| Aluminum | Jun-26 | 393.35 | 6.96 |
| Copper | Jun-26 | 1,367.90 | 3.46 |
| Zinc | Jun-26 | 373.05 | 7.18 |

(MCX India)

## Global Indices

| Index | Country | Change % |
|---|---|---|
| NIFTY 50 | India | -2.44% |
| BSE SENSEX | India | -3.37% |
| NIFTY BANK | India | -0.46% |
| INDIA VIX | India | -10.02% |
| DOW JONES | USA | 2.82% |
| S&P 500 | USA | 4.06% |
| NASDAQ | USA | 6.03% |
| S&P/TSX | Canada | 3.68% |
| BOVESPA | Brazil | -8.79% |
| DAX | Germany | 1.62% |
| FTSE 100 | UK | 1.11% |
| CAC 40 | France | 1.09% |
| FTSE MIB | Italy | 3.05% |
| MOEX Russia Index | Russia | -1.63% |
| NIKKEI 225 | Japan | 13.26% |
| S&P/ASX 200 | Australia | -0.03% |
| SHANGHAI | China | -1.11% |
| HANG SENG | Hong Kong | -2.56% |
| KOSPI | South Korea | 25.71% |

## Currency Exchange Rates

| Pair | Current | Prior | Change % |
|---|---|---|---|
| USD/INR | 95.78 | 94.44 | (1.42) |
| GBP/INR | 128.78 | 128.31 | (0.37) |
| EUR/INR | 111.26 | 110.92 | (0.31) |
| YEN/INR | 59.88 | 60.24 | 0.60 |

(FBIL India)

## Cryptocurrencies

| Pair | Crypto | Price | Change % |
|---|---|---|---|
| BTC/USD | Bitcoin | 64,031.52 | (19.99) |
| ETH/USD | Ethereum | 1,796.91 | (21.30) |
| BNB/USD | Binance | 612.50 | (4.36) |
| SOL/USD | Solona | 70.43 | (20.82) |

(Crypto.com)

## Bank Policy Rates

| Type | Current | Prior | Change % |
|---|---|---|---|
| Repo rate | 5.25 | 5.25 | - |
| Standing deposit | 5.00 | 5.00 | - |
| Marginal facility | 5.50 | 5.50 | - |
| Bank rate | 5.50 | 5.50 | - |
| Reverse Repo | 3.35 | 3.35 | - |

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

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