

# INDIA JURIS

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### Introduction of Goods and Service Tax

The Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014 was introduced in the Lok Sabha on December 19, 2014 by the Minister of Finance, Mr. Arun Jaitley. The Bill seeks to amend the Constitution to introduce the goods and services tax (GST) and subsume state value added tax, octroi and entry tax, luxury tax, etc. The Bill proposes to insert a new Article in the Constitution to give the Central and State governments the concurrent power to make laws on the taxation of goods and services. It also proposes compensations to states and provides that Parliament may, by law, provide for compensation to states for revenue losses arising out of the implementation of the GST, on the GST Council's recommendations.

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### Amendment in Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Financial Institutions

Earlier, the provision was that if any credit facility availed by the issuer of the security is classified as NPA in the books of the FI, investment in any of the securities issued by the same issuer would also be treated as NPL.

Reserve Bank of India on 7th January, 2016 has made some changes or amendment in the applicability of Non Performing Investment (NPI).

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