PROVISION OF JOB WORK UNDER GST

2. Definitions

"job work" means undertaking any treatment or process by a person on goods belonging to another registered taxable person and the expression "job worker" shall be construed accordingly.

16A. Taking input tax credit in respect of inputs sent for job work. - Summary

The "principal subject to such conditions and restrictions as may be prescribed, be **entitled to take credit of input tax on inputs or capital goods**, as the case may be, sent to a job-worker for job-work.

Credit On	Sent From	Received Back after Completion of Job Work
Input	Sent from Premises	Within 180 days from Date of Sent out
Input	Sent Directly	Within 180 days from Date of Receipt of goods by job worker
Capital Goods	Sent from Premises	Within 2 Years from Date of Sent out
Capital Goods	Sent Directly	Within 2 Years from Date of Receipt of Goods by Job Worker

(1) The "principal" referred to in section 43 A shall, subject to such conditions and restrictions as may be prescribed, be entitled to take credit of input tax on inputs sent to a job-worker for job-work if the said inputs, after completion of job-work, are received back by him within one hundred and eighty days of their being sent out:

Provided that the "principal" shall be entitled to take credit of input tax on inputs even if the inputs are directly sent to a job worker for job-work without their being first brought to his place of business, and in such a case, the period of one hundred and eighty days shall be counted from the date of receipt of the inputs by the job worker.

(2) The "principal" shall, subject to such conditions and restrictions as may be prescribed, be entitled to take credit of input tax on capital goods sent to a job-worker for job-work if the said capital goods, after completion of job-work, are received back by him within two years of their being sent out:

Provided that the "principal" shall be entitled to take credit of input tax on capital goods even if the capital goods are directly sent to a job worker for job-work without their being first brought to his place of business, and in such a case, the period of two years shall be counted from the date of receipt of the capital goods by the job worker.

(3) Where the inputs or capital goods, as the case may be, are not received back by the "principal" within the time specified under sub-section (1) or under sub-section (2), as the case may be, he shall pay an amount equivalent to the input tax credit availed of on the said inputs or capital goods, as the case may be, along with interest specified under sub-section (1) of section 36:

Provided that the said "principal" may reclaim the input tax credit and interest paid earlier when the inputs or capital goods, as the case may be, are received back by him at his place of business.

43A. Special procedure for removal of goods for certain purposes- Summary

-The Commissioner may, **after completion of job-work, allow to-**

Remove From Premises of Job Worker-	To use such goods-	Condition of Removal
bring back to any of his place of business	For supply therefrom on payment of tax within India, or with or without payment of tax for export	No Condition
supply such goods from the place of business of a job-worker	For supply therefrom on payment of tax within India, or with or without payment of tax for export	Condition: the "principal" declares the place of business of the job-worker as his additional place of business Exception: 1. where the job worker is registered under section 19. or 2. where the "principal" is engaged in the supply of such goods as may be notified in this behalf

43A. Special procedure for removal of goods for certain purposes
(1) The Commissioner may, by special order and subject to conditions as may be specified by him, permit a registered taxable person (hereinafter referred to in this section as the "principal") to send taxable goods, without payment of tax, to a job worker for job-work and from there subsequently send to another job worker and likewise, and may, after completion of job-work, allow to-
(a) bring back such goods to any of his place of business, without payment of tax, for supply therefrom on payment of tax within India, or with or without payment of tax for export, as the case may be, or
(b) supply such goods from the place of business of a job-worker on payment of tax within India, or with or without payment of tax for export, as the case may be:
Provided that the goods shall not be permitted to be supplied from the place of business of a job worker in terms of clause (b) unless the "principal" declares the place of business of the job-worker as his additional place of business except in a case-
(i) where the job worker is registered under section 19; or
(ii) where the "principal" is engaged in the supply of such goods as may be notified in this behalf.
(2) The responsibility for accountability of the goods including payment of tax thereon shall lie with the "principal".

Transitional Provision- Summary

LAW	Removal Before GST	Return back after GST (appointment date)	Tax on Job Worker	Tax on Manufact-urer/owner	Conditions
(INPUTS) CGST Law	**inputs** received in a factory had been removed as Such or partially processed	within six months from the appointed day: or(Extended 2 Month)	if such inputs are liable to tax under this Act, and are returned after a period of six months or Extended period	manufacturer if such inputs are liable to tax under this Act, and are not returned within a period of six months or Extended period	if the manufacturer and the job worker declare the details of the inputs held in stock by the job worker on behalf of the manufacturer on the appointed day
(INPUTS) SGST Law	**inputs** received at a place of business had been dispatched **as** Such or partially processed	within six months from the appointed day: or(Extended 2 Month)	if such inputs are liable to tax under this Act, and are returned after a period of six months or extended period	If such inputs are liable to tax under this Act, and are not returned within a period of six months or extended period	if the person dispatching the inputs and the job worker declare the details of the goods held in stock by the job worker on behalf of the said person on the appointed day
(SFG) CGST Law	Where any **semi-finished goods** had been removed from the factory	within six months from the appointed day: or(Extended 2 Month)	if such Goods are liable to tax under this Act, and are returned after a period of six months or extended period	manufacturer if such inputs are liable to tax under this Act, and are not returned within a period of six months or Extended period Provided also that the manufacturer may, in accordance with the provisions of the	if the manufacturer and the job worker declare the details of the inputs held in stock by the job worker on behalf of the manufacturer on the appointed day

				earlier law, transfer there from on payment of tax within India, or with or without payment of tax for export	
(SFG) SGST Law	Where any **semi-finished goods** had been dispatched from the place of business	within six months from the appointed day: or(Extended 2 Month)	if such Goods are liable to tax under this Act, and are returned after a period of six months or extended period	if such inputs are liable to tax under this Act, and are not returned within a period of six months or Extended Period Provided also that the person dispatching the goods may, in accordance with the provisions of the earlier law transfer there from on payment of tax within India, or with or without payment of tax for export	if the person dispatching the inputs and the job worker declare the details of the goods held in stock by the job worker on behalf of the said person on the appointed day
(Finish Goods) CGST Law	Where any excisable goods manufactured in a factory had been removed without payment of duty for carrying out tests or any other process not amounting to manufacture	within six months from the appointed day: or(Extended 2 Month)	if such inputs are liable to tax under this Act, and are returned after a period of six months or Extended period	**No liability** Provided also that the manufacturer may, in accordance with the provisions of the earlier law, transfer there from on payment of tax within India, or with or without payment of tax for export	
(Finish Goods) SGST Law	Where any goods had been dispatched from the place of business without payment of tax for carrying out tests or any other process	within six months from the appointed day: or(Extended 2 Month)	if such inputs are liable to tax under this Act, and are returned after a period of six months or Extended period	**No liability** Provided also that the person dispatching the goods may, in accordance with the provisions of the earlier law transfer there from on payment of tax within India, or with or without payment of tax for export	

150. Inputs removed for job work and returned on or after the appointed day

(1) Where any inputs received in a factory had been removed as such or removed after being partially processed to a job worker for further processing, testing, repair, reconditioning or any other purpose in accordance with the provisions of earlier law prior to the appointed day and such inputs, after completion of the job work, are returned to the said factory on or after the appointed day, no tax shall be payable if such inputs are returned to the said factory **within six months from the appointed day:**

Provided that the aforesaid period of **six months** may, on **sufficient cause** being shown, be **extended** by the competent authority for a further period not exceeding **two months**:

Provided further that tax shall be payable by the job worker if such inputs are liable to tax under this Act, and **are returned after a period of six months** or the extended period, as the case may be, from the appointed day:

Provided also that tax shall be payable by the manufacturer if such inputs are liable to tax under this Act, and **are not returned within a period of six months** or o the said factory within six months from the appointed day:

Provided that the aforesaid period of six months may, on sufficient cause being shown, be extended by the competent authority for a further period not exceeding two months:

Provided further that tax shall be payable by the person returning the said goods if such goods are liable to tax under this Act and are r**eturned after a period of six months or the extended period**, as the case may be, from the appointed day:

Provided also that tax shall be payable **by the manufacturer if such goods are liable to tax under this Act, and are not returned within a period of six months or the extended period**, as the case may be, from the appointed day:

Provided also that the manufacturer may, **in accordance with the provisions of the earlier law, transfer the said goods to the premises of any registered taxable person for the purpose of supplying therefrom** on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day.

(2) The provisions of sub-section (1) shall apply only if the manufacturer and the job-worker declare the details of the goods held in stock by the job-worker on behalf of the manufacturer on the appointed day in such form and manner and within such time as may be prescribed.

(CGST Law)

(1) Where any semi-finished goods had been dispatched from the place of business to any other premises for carrying out certain manufacturing processes in accordance with the provisions of earlier law prior to the appointed day and such goods after undergoing manufacturing processes (herein after referred to as the "said goods") are returned to the said place of business on or after the appointed day, no tax shall be payable if the said goods are returned to such place within six months from the appointed day:

Provided that the aforesaid period of six months may, on sufficient cause being shown, be extended by the competent authority for a further period not exceeding two months:

Provided further that tax shall be payable by the person returning the said goods if such goods are liable to tax under this Act and are returned after a period of six months or the extended period, as the case may be, from the appointed day:

Provided also that tax shall be payable by the person dispatching the goods if such goods are liable to tax under this Act, and are not returned to him within a period of six months or the extended period, as the case may be, from the appointed day:

Provided also that the person dispatching the goods may, in accordance with the provisions of the earlier law, transfer the said goods to the premises of any registered taxable person for the purpose of supplying therefrom on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day.

(2) The provisions of sub-section (1) shall apply only if the person dispatching the goods and the job worker declare the details of the goods held in stock by the job worker on behalf of the said person on the appointed day in such form and manner and within such time as may be prescribed.

(SGST Law)

152. Finished goods removed for carrying out certain processes and returned on or after the appointed day

Where any excisable goods manufactured in a factory had been removed without payment of duty for carrying out tests or any other process not amounting to manufacture, to any other premises, whether registered or not, in accordance with the provisions of earlier law prior to the appointed day and such goods, after undergoing tests or any other process (herein after referred to as the "said goods") are returned to the said factory on or after the appointed day, no tax shall be payable if the said goods are returned to the said factory within six months from the appointed day:

Provided that the aforesaid period of six months may, on sufficient cause being shown, be extended by the competent authority for a further period of two months:
Provided further that tax shall be payable by the person returning the said goods if such goods are liable to tax under this Act and are returned after a period of six months or the extended period, as the case may be, from the appointed day: Provided also that the manufacturer may, in accordance with the provisions of the
earlier law, transfer the said goods from the said other premises on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day.

(CGST Law)

Where any goods had been dispatched from the place of business without payment of tax for carrying out tests or any other process, to any other premises, whether registered or not, in accordance with the provisions of earlier law prior to the appointed day and such goods, after undergoing tests or any other process (herein after referred to as the “said goods”) are returned to the said place of business on or after the appointed day, no tax shall be payable if the said goods are returned to such place within six months from the appointed day:
Provided that the aforesaid period of six months may, on sufficient cause being shown, be extended by the competent authority for a further period not exceeding two months:
Provided further that tax shall be payable by the person returning the said goods if such goods are liable to tax under this Act and are returned after a period of six months or the extended period, as the case may be, from the appointed day:
Provided also that the person dispatching the goods may, in accordance with the provisions of the earlier law, transfer the said goods from the said other premises on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day.

(SGST Law)