# GST GOOGLY

TRANSITIONAL PROVISION
relating to JOB Work under GST

BY – CA DIVYANSHU SENGAR

## Section 141 (1) -

- Where any inputs received at a place of business 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 existing law prior to the appointed day and such inputs are returned to the said place on or after the appointed day, no tax shall be payable if such inputs, after completion of the job work or otherwise, are returned to the said place within six months from the appointed day:
- Provided that the period of six months may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding two months:
- Provided further that if such inputs are not returned within the period specified in this sub-section, the input tax credit shall be liable to be recovered in accordance with the provisions of clause (*a*) of sub-section (*8*) of section 142.

# Section 141 (2) -

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

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

- Provided further that if the said goods are not returned within the period specified in this sub-section, the input tax credit shall be liable to be recovered in accordance with the provisions of clause (*a*) of sub-section (*8*) of section 142:

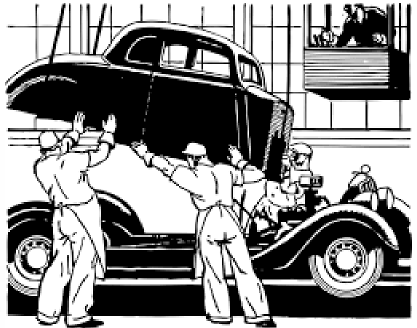
- Provided also that the manufacturer may, in accordance with the provisions of the existing law, transfer the said goods to the premises of any registered person for the purpose of supplying therefrom on payment of tax in India or without payment of tax for exports within the period specified in this sub-section.

# Section 141 (3) -

- Where any excisable goods manufactured at a place of business 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 existing law prior to the appointed day and such goods, are returned to the said place on or after the appointed day, no tax shall be payable if the said goods, after undergoing tests or any other process, are returned to the said place within six months from the appointed day:
- Provided that the period of six months may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding two months:
- Provided further that if the said goods are not returned within the period specified in this sub-section, the input tax credit shall be liable to be recovered in accordance with the provisions of clause (*a*) of sub-section (*8*) of section 142:
- Provided also that the manufacturer may, in accordance with the provisions of the existing law, transfer the said goods from the said other premises on payment of tax in India or without payment of tax for exports within the period specified in this sub-section.

# Section 141 (4) -

- The tax under sub-sections (*1*), (*2*) and (*3*) shall not be payable, only if the manufacturer and the job worker declare the details of the inputs or 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.



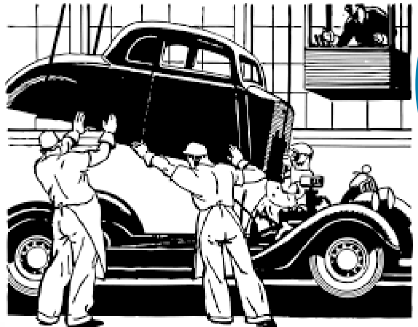
Manufacturer

JOB WORKER

**DECLARE – details of the Inputs or Goods held by Job-worker on behalf of Manufacturer on the Appointed Date**

**No Tax is payable (subject to conditions under subsection (1), (2) and (3).**

# Section 141 (1)



Manufacturer

INPUTS as such (RAW MATERIAL)

INPUTS after being partially processed

For further processing, testing, repair, reconditioning or any other purpose

Before Appointed Date (01/07/17)

JOB WORKER

After Appointed Date (01/07/17)

Returned after Job work or Otherwise

If returned within 6 months plus 2 months (from Appointed Date) (Commissioner Approval)

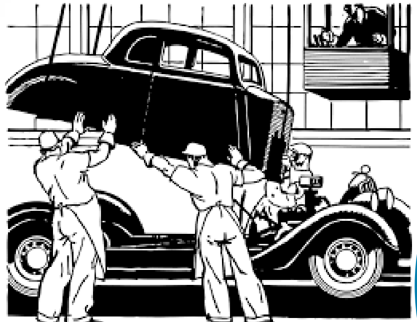
YES

No TAX Shall be payable

NO

The input tax credit shall be liable to be recovered as per Sec 142 (8) (a)

# Section 141 (2)



PRINCIPAL

SEMI FINISHED GOODS

For carrying out certain manufacturing processes

Before Appointed Date (01/07/17)

JOB WORKER

Returned after undergoing manufacturing processes or otherwise

After Appointed Date (01/07/17)

If returned within 6 months plus 2 months (from Appointed Date) (Commissioner Approval)

YES

No TAX Shall be payable

NO

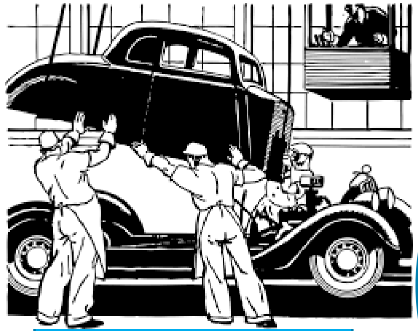
The input tax credit shall be liable to be recovered as per Sec 142 (8) (a)

OR

SUPPLIED to Registered Person in India on Payment of TAX

EXPORTS without Payment of TAX

# Section 141 (3)



PRINCIPAL

FINISHED GOODS

For carrying out Tests or any other process not amounting to manufacture

Before Appointed Date (01/07/17)

JOB WORKER

Returned after undergoing Tests or any other process

After Appointed Date (01/07/17)

If returned within 6 months plus 2 months (from Appointed Date) (Commissioner Approval)

YES

No TAX Shall be payable

NO

The input tax credit shall be liable to be recovered as per Sec 142 (8) (a)

OR

SUPPLIED to Registered Person in India on Payment of TAX

EXPORTS without Payment of TAX

**In case of any query/ clarity/ correction, you can reach me @ cadivyanshusengar@gmail.com.**

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# THANK YOU