

**GOVERNMENT OF WEST BENGAL
DIRECTORATE OF COMMERCIAL TAXES
14, BELIAGHATA ROAD, KOLKATA-700015**

TRADE CIRCULAR No. 47/2019 (Circular No. 126/45/2019-GST)

DATED: 10.12.2019

Subject– Clarification on scope of the notification entry at item (id), related to job work, under heading 9988 of Notification No. 1135-F.T. dated 28-06-2017

Doubts have been raised with regard to scope of the notification entry at item (id) under heading 9988 of Notification No. 1135-F.T. dated 28-06-2017 inserted with effect from 01-10-2019 to implement the recommendation of the GST Council to reduce rate of GST on all job work services, which earlier attracted 18 % rate, to 12%. It has been stated that the entry at item (id) under heading 9988 of Notification No. 1135-F.T. dated 28-06-2017 inserted with effect from 01-10-2019, prescribes 12% GST rate for all services by way of job work. This makes the entry at item (iv) which covers “manufacturing services on physical inputs owned by others” with GST rate of 18%, redundant.

2. The matter has been examined. The entries at items (id) and (iv) under heading 9988 read as under:

(3)	(4)	(5)
(id) Services by way of job work other than (i), (ia), (ib) and (ic) above;	6	-
(iv) Manufacturing services on physical inputs (goods) owned by others, other than (i), (ia), (ib), (ic), (id), (ii), (iia) and (iii) above.	9	-

3. Job work has been defined in WBGST Act as under.

*“Job work means any treatment or processing undertaken by a person on goods belonging to another **registered** person and the expression ‘job worker’ shall be construed accordingly.”*

4. In view of the above, it may be seen that there is a clear demarcation between scope of the entries at item (id) and item (iv) under heading 9988 of Notification No. 1135-F.T. dated 28-06-2017. Entry at item (id) covers only job work services as defined in section 2 (68) of WBGST Act, 2017, that is, services by way of treatment or processing undertaken by a person

on goods belonging to another **registered** person. On the other hand, the entry at item (iv) specifically excludes the services covered by entry at item (id), and therefore, covers only such services which are carried out on physical inputs (goods) which are owned by persons other than those registered under the WBGST Act.

5. Difficulty if any, in the implementation of this Circular may be brought to the notice of the Commissioner.

6. This Trade Circular shall be deemed to have come into force on 22.11.2019.

Sd/-
(Devi Prasad Karanam)
Commissioner, State Tax,
West Bengal

Memo. - 497 CT/PRO
3C/PRO/2019

Date: 10.12.2019

Copy forwarded to the Additional CST/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.

Sd/-
(Adesh Kumar)
Special CST & PRO