

# Who Actually Made Your Order? Job Work and Subcontracting in India

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It is normal for an Indian supplier to send part or all of an order to other workshops. Job work is a recognised, legal model and is how Indian clusters work. What matters is that you know which units make your order and who answers for quality.

## Key takeaways

- Indian trade policy recognises both manufacturer exporters and merchant exporters, and either can be the name on your shipping bill.
- A certificate covers only the entity named on it, not an unnamed workshop that did your work.
- A factory audit can pass while parts still vary, because the work may happen in another building.
- Ask at quote stage which unit does each step, and put the answer in the purchase order.
- Factories job-work out too, so buying from a manufacturer does not avoid it.

Yes, it's normal for an Indian supplier to send part or all of your order to another workshop. Indian clusters are built that way, with one unit dyeing, another printing and another stitching, and "job work" is a recognised, legal model. What you should mind is not that it happens, but whether you know about it and who answers for quality when it does.



In late 2025 a buyer of machined parts described what went wrong for him: "the person that took the contract just pieces out the work to 10 different smaller operations" ([r/manufacturing, 2025](#)). The parts didn't match each other. An Indian brass-parts supplier replied with the other side of the picture: "Tens of thousands of small workshops versus a smaller pool of audited OEM-grade exporters" ([same thread](#)). Both are right. This post explains why the work moves, where it bites, and how to keep it honest without treating your supplier as a suspect. The caveat - both are single voices from one thread.

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- 01 **India's trade policy itself recognises the split:** a manufacturer exporter makes what it exports, a merchant exporter buys and exports. Both can be the name on your shipping bill. (*DGFT, Foreign Trade Policy 2023, paras 11.32 and 11.33*)
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- 02 **A certificate covers the entity named on it,** not an unnamed workshop that did your work. (*Our reading of certification scopes*)
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- 03 **A factory audit can pass while the parts still vary,** because the work may not be done in the audited building. (*Forum signal, 2025*)
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#### What we don't know yet

- What share of a typical export order is job-worked out, by cluster. No one publishes it.

## 1. Why Do Indian Suppliers Send Work Out?

Because specialisation is cheaper and better. In a textile cluster the dyeing house has the effluent plant, the printer has the tables and the screens, the embroidery unit has the machines. A garment maker who tried to own every step would be slower and dearer. The same happens in metalwork, where a contract is split between turning, plating and finishing shops.

There's a second, less comfortable reason. A small order is the one most likely to be sent out, because it doesn't justify the main line. That's a pressure every busy factory in every country feels. It's also why the risk sits with small buyers.



## 2. Is It Fraud If They Didn't Tell Me?

Usually not. It's often just how the supplier always works, and it didn't occur to them that you'd care. Treating it as fraud tends to end a relationship that was mostly fine. But not telling you does matter in three places, and they're worth a direct question.

**Quality.** Your sample was made by one team. Ten workshops won't match each other unless someone checks between them, which is exactly what the machining buyer found.

**Certificates.** A certificate covers the entity named on it. If your goods carry a claim like organic or a safety standard, the unit doing the relevant step has to be covered. An Indian supplier's own certificate doesn't stretch to a workshop it didn't name. The textile rules are in [textile certifications](#).

**Origin.** If you claim a lower duty rate under a trade agreement, the evidence about where materials came from sits with whoever processed them. An unnamed unit makes that evidence harder to get. See rules of origin.

### 3. What Should You Ask, and When?

1. **At quote stage, before anything is signed**, ask kindly: "Which unit does each step of my order? Are any steps job work?" A good supplier answers in one email, and many are proud of their partner units.
2. **Put the answer in the purchase order**, with the main unit's address.
3. **During production, ask for photos** of your goods on the line at about a tenth of the run.
4. **Send your inspector to the unit actually making them**, not just the office.
5. **Match the legal name** on the invoice, the GST record and the bank account.

Those are the same checks you'd run on any supplier, set out on how to verify Indian suppliers. What an Indian GST number tells you covers step 5.



#### **4. Is Buying From a Manufacturer Enough to Avoid It?**

No, and this is the bit buyers find surprising. Factories job-work out too, which is why the label on the business card tells you less than the three facts about your order: who makes it, whose paperwork covers it, and who answers if it's wrong. The comparison of the two routes is on manufacturer vs trading company. Neither route is second best.

Why bulk can drift from a sample made by one team is on the sample was perfect, why wasn't the bulk?.

If you'd like someone to map which units touch your order and check each one, SourcingSync does that in India.

## Questions Buyers Ask

Can I ban subcontracting in my contract? ^

You can ask for named units only and require your consent for changes. Banning it outright may simply make the order impossible for a cluster maker.

Does a factory audit cover subcontractors? v

Is a job worker allowed to export my goods? v

## Back to the Ten Workshops

The machining buyer's problem wasn't that ten workshops were involved. It was that nobody named them and nobody checked between them. Ask who makes what, write it down, and inspect where the work happens, and job work becomes what it is in most Indian clusters – just how things get made.