

कार्यालय मुख्य आयुक्त
OFFICE OF THE CHIEF COMMISSIONER
 केंद्रीय माल एवं सेवाकर , चंडीगढ़ क्षेत्र
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Dated: 12-10-2026

**MINUTES OF THE STATE COORDINATION MEETING BETWEEN CENTRAL GST AND STATE/UT
 TAX ADMINISTRATIONS OF JAMMU & KASHMIR AND LADAKH**

Held on 28th September, 2026 via Video Conference

Hosted by: Office of the Chief Commissioner, CGST Zone, Chandigarh

1. A State Coordination Meeting between the Central Goods and Services Tax (CGST) department and the State/UT Tax administrations of the Union Territory of Jammu & Kashmir and the Union Territory of Ladakh was held on 28th September, 2026 through Video Conference. The meeting was Chaired by Sh. Shubh Chintan, IRS, Chief Commissioner, CGST & Central Excise Zone, Chandigarh. The following officers/members attended the meeting:

- i. Sh. Mahesh Chand Bhardwaj, IRS, Commissioner, CGST Commissionerate Jammu.
- ii. Sh. Tharchin, IAAS, Commissioner, State Taxes Department, UT of Ladakh
- iii. Smt. Daljit Kaur, IRS, Additional Commissioner, CGST Zone, Chandigarh.
- iv. Sh. Kishori Lal Sharma, JKAS, Additional Commissioner of State Taxes, State Taxes Department, UT of Jammu & Kashmir.
- v. Sh. Ranvir Singh, IRS, Deputy Commissioner, CGST Zone, Chandigarh

2 . At the outset, the Chief Commissioner, CGST Zone, Chandigarh welcomed the Commissioner of State Taxes, UT of Ladakh and the Additional Commissioner of State Taxes, UT of J&K, and all other officers from the Central and UT Tax administrations. The Chair stressed the need for regular and smooth coordination between Central GST and State/UT tax departments to prevent fake tax credits, identify fake and non-existent firms, bring more taxpayers into the formal system, and stop tax leakages across jurisdictions.

3. With permission from the Chair, Smt. Daljit Kaur, Additional Commissioner, initiated the discussions on the agenda points sponsored by the UT administrations of Jammu & Kashmir and Ladakh as well as the Central GST Commissionerate, Jammu:

(A) Issues sponsored by the UT Administrations of Jammu & Kashmir and Ladakh:

(i) Real-time intelligence sharing and detection of fake ITC -The members from the State Tax administrations submitted that coordinated enforcement and real-time intelligence exchange between Central and State GST formations are imperative to detect circular trading networks and bogus Input Tax Credit (ITC) pass-throughs originating from external trade hubs.

The House was informed that although very few fake billing entities are directly created in Ladakh, fake tax credit cases originating from other northern areas such as Delhi, Punjab, and Haryana are affecting tax revenue in the Union Territories. Both Central and State tax departments agreed that information and alerts should be shared quickly without unnecessary delays.

The House decided that the Nodal Officers of the Central GST Commissionerate, Jammu, and the State Tax Departments of Jammu & Kashmir and Ladakh shall maintain regular coordination and share important information and red-flag alerts in real time to facilitate timely and appropriate action.

(ii) Coordinated cancellation of non-existent and bogus taxpayers -The members raised concern regarding the administrative time lag occurring between the detection of a bogus/non-existent taxpayer by one authority and its cancellation by the other administrative authority, resulting in misuse of the GSTIN in the interim.

The House was informed that cases often arise where the Central GST enforcement or intelligence wing of the State Tax finds a fake or non-existent firm that falls under the State's jurisdiction, or vice versa. Since the inspecting authority cannot cancel a firm outside its jurisdiction, delays in sharing information allow such firms

to continue generating e-way bills and passing on ineligible ITC.

The House decided that a fast-track communication system will be put in place between the designated Nodal Officers. Once physical or risk verification confirms that a firm does not exist, the concerned authority will immediately send the verification report to the Proper Officer of that jurisdiction. The Proper Officer will suspend the registration on the same day and take immediate steps to cancel it.

(iii) Prevention of re-registration by cancelled taxpayers in other jurisdictions -The members submitted that unscrupulous taxpayers whose registrations have been cancelled on account of fraud, non-filing, or non-existence often attempt to obtain fresh registrations under another ward, division, or jurisdiction.

The House was informed that the GST common portal automatically shows previously cancelled GSTINs linked to the same PAN when a person applies for a new registration. However, the portal does not always show the full reason for the cancellation, such as whether it was due to regular filing defaults or deliberate fake invoicing. Therefore, the concerned authorities should share detailed information.

The House decided that when a person with a previously cancelled registration applies for a new registration in another jurisdiction, the concerned Proper Officer will contact the Nodal Officer of the earlier jurisdiction to get details about the cancellation and take necessary action, including PV if necessary.

(B) Issues raised by Central GST Commissionerate, Jammu & Zonal Formations:

(i) Strengthening Central GST staffing and physical presence in UT of Ladakh -The Chair reviewed the staffing structure and enforcement mechanism of Central GST currently deployed in the Union Territory of Ladakh.

The Commissioner of State Taxes, UT of Ladakh, apprised the House that Ladakh currently administers a registered taxpayer base of approximately 11,000 assesseees with an administrative strength of 30 to 35 personnel. It was highlighted that nearly 70% of the taxpayer base comprises civil, road, tunnel, and infrastructure contractors executing public works contracts for government departments, with minimal presence of large manufacturing or hospitality units. In contrast, Central GST presence in Ladakh is presently limited to a single Superintendent with a taxpayer base of around 4000.

The Chief Commissioner, CGST Zone, Chandigarh, directed the CGST Commissionerate, Jammu, to immediately post an Inspector in Ladakh. The officer will be based in Ladakh and will help with field verification, physical inspection of business premises, and coordination with the UT State Tax Department.

(ii) Audit scrutiny of government works contractors using Form GSTR-7 (TDS) and taxability of advances - The Chair observed that given the predominant composition of government contractors in the taxpayer base of Ladakh, targeted scrutiny and audit mechanisms must be deployed to safeguard revenue on public works contracts.

The House was informed that government departments and public sector organizations that deduct TDS under Section 51 of the CGST Act regularly file GSTR-7. Comparing the TDS details in GSTR-7 with the turnover reported by contractors in GSTR-1 and GSTR-3B can help identify under-reporting of sales and unpaid tax.

The House decided that the Central and State audit and scrutiny teams will compare GSTR-7 data with the turnover reported by civil contractors.

(iii) Audit capacity building, training support, and pre-winter taxpayer outreach in Ladakh - The Commissioner of State Taxes, Ladakh, requested technical assistance and capacity-building support from the Central GST Zone, particularly in establishing formal GST audit procedures and educating the taxpayers.

The House was informed that the UT of Ladakh is working to set up its audit wings. Tax officials also said that movement and taxpayer outreach in Leh and Kargil become very difficult after October because of severe winter conditions. Therefore, outreach activities need to be completed before November.

The Chief Commissioner assured full cooperation and suggested that experienced officers from CGST Jammu Commissionerate can conduct specialized training workshops (both physical and virtual) for Ladakh tax officers.

(C) General Administrative & Coordination Matters:

(i) Institutionalization of coordination meetings and scheduling of physical review

The members discussed the frequency and modality of holding regular coordination meetings between Central and State GST formations of Jammu & Kashmir and Ladakh.

The House acknowledged that while virtual conferences ensure continuity, complex operational challenges, joint enforcement planning, and across-the-table reconciliation of data require institutionalized physical reviews. The House decided that State Coordination Meetings will be held on a regular basis.

4 . The tax officials of Jammu & Kashmir and Ladakh thanked the CGST & Central Excise Zone, Chandigarh, for its proactive efforts and support. They said that such cooperation measures would help improve tax enforcement and compliance across the region.

**Digitally signed by
Daljit Kaur
Date: 12-10-2026
16:15:50**

DALJIT KAUR
ADDITIONAL COMMISSIONER

Copy to:

1. GST Council Secretariat, New Delhi.
2. The Commissioner, State Taxes Department, UT of Ladakh.
3. The Additional Commissioner of State Taxes, State Taxes Department, UT of Jammu & Kashmir.
4. The Commissioner, CGST Commissionerate Jammu.