REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

WRIT PETITION (CIVIL) NO. 320 OF 2022

Pradeep Goyal …Petitioner

Versus

Union of India & Ors. …Respondents

O R D E R

M.R. SHAH, J.

1. By way of this Writ Petition under Article 32 of the Constitution of India, the petitioner, a Chartered Accountant by profession, by way of present Public Interest Ligation has prayed for an appropriate writ, order or direction to the respondents – respective States and the GST Council to take all necessary steps to implement a system for electronic (digital) generation of a Document Identification Number (DIN) for all communications sent by the State Tax Officers to taxpayers and other concerned persons.

1.1 It is also prayed to direct the GST Council to consider and take a policy decision in respect of implementation of the DIN system by all the States.

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Date: 2022.08.02 16:42:03 IST
Reason:

2. It is the case on behalf of the petitioner that by implementing a system for electronic (digital) generation of a DIN, it will usher in transparency and accountability in the indirect tax administration. It is submitted that as such the same is the Government's objective. It is submitted that the same may prevent any abuse by the Departmental Officers of pre-dating communications and ratifying actions by authorizations subsequently made out in the files.

2.1 It is the case on behalf of the petitioner that even Hon'ble the Prime Minister of India had earlier asked the Department of Revenue to come up with specific measures to ensure that the honest taxpayers are not harassed and served better. It is submitted that in pursuance of the directions issued by the Hon'ble Prime Minister, the Central Government had taken a decision as far as back in the year 2019 to implement the DIN system of Central Board of Direct Taxes (CBDT). It is submitted that as per the press note issued by the Ministry of Finance on and from 01.10.2019, every CBDT communication will have to have a Document Identification Number (DIN).

2.2 It is averred that the Document Identification Number system, which will bring in transparency and accountability in the tax administration and, as on today, the same has been implemented only by two States, i.e., the States of Karnataka and Kerala. It is submitted by learned counsel appearing for the petitioner that GST Council as per

Article 279A of the Constitution of India can make recommendations to the States on any matter relating to GST. Therefore, when implementation of the DIN system is in the larger public interest and the objective to implement the DIN system is to bring in transparency and accountability in the indirect tax administration, it is prayed to direct the respondents – States to implement the DIN system. It is prayed to direct the Central Government / CBIC / GST Council to issue directions to the concerned States to implement the DIN system in respect of all communications sent by the State Tax Officers to assessees, taxpayers and other concerned persons.

3. On the copy of the writ petition being served pursuant to the order passed by this Court dated 11.07.2022, Shri Balbir Singh, learned ASG has appeared on behalf of Union of India. He has submitted that Union of India does not dispute that by implementing a system for electronic (digital) generation of a DIN, it will bring in transparency and accountability in the indirect tax administration. He has submitted that even as desired by Hon'ble the Prime Minister of India, the Central Government had taken a decision to implement the DIN system of Central Board of Direct Taxes and on and from 01.10.2019, every CBDT communication will have to have a Document Identification Number (DIN). It is submitted that however, so far as the implementation of the system for electronic (digital) generation of a DIN for all communications

sent by the State Tax Officers to taxpayers and other concerned persons is concerned, the same is to be done and/or implemented by the concerned States. It is submitted that it is true that the GST Council in exercise of powers under Article 279A of the Constitution of India can make recommendations to the States and can issue an advisory to all the States to implement the system for electronic (digital) generation of a DIN for all communications sent by the State Tax Authorities/ Officers to taxpayers and other concerned persons, as has been done and implemented by the States of Karnataka and Kerala.

4. We have heard Ms. Charu Mathur, learned counsel appearing on behalf of the petitioner and Shri Balbir Singh, learned ASG appearing on behalf of Union of India.

5. By way of this writ petition under Article 32 of the Constitution of India, the petitioner has prayed for the following reliefs:-

> "a. Issue a writ of mandamus or any other appropriate writ, order or direction to the respondents to take all necessary steps to implement a system for electronic (digital) generation of a Document Identification Number(DIN) for all communications sent by the state tax officers to taxpayers and other concerned persons;
>
> b. Issue a writ of mandamus or any other appropriate writ, order or direction to the GST Council to consider and take a policy decision in respect of implementation of DIN system by all the states;
>
> c. Issue a writ of mandamus or any other appropriate writ, order or direction to the Central Government/CBIC to introduce centralised DIN for the entire country;

d. pass such further order(s) as may be deemed fit and proper in facts and circumstances of the present case, in the interest of justice."

6. It cannot be disputed that implementing the system for electronic (digital) generation of a Document Identification Number (DIN) for all communications sent by the State Tax Officers to taxpayers and other concerned persons would be in the larger public interest and enhance good governance. It will bring in transparency and accountability in the indirect tax administration, which are so vital to efficient governance. Even the Central Government has also taken a decision and as such implemented the DIN system of Central Board of Direct Taxes and on and from 01.10.2019, as every CBDT communication will have to have a Document Identification Number (DIN). But, as on today, only two States, namely, the States of Karnataka and Kerala have implemented the system for electronic (digital) generation of a DIN in the indirect tax administration, which is laudable and to be appreciated.

7. In view of the implementation of the GST and as per Article 279A of the Constitution of India, the GST Council is empowered to make recommendations to the States on any matter relating to GST. The GST Council can also issue advisories to the respective States for implementation of the DIN system, which shall be in the larger public interest and which may bring in transparency and accountability in the indirect tax administration. Therefore, we dispose of the present writ

petition by directing the Union of India / GST Council to issue advisory / instructions / recommendations to the respective States regarding implementation of the system of electronic (digital) generation of a DIN in the indirect tax administration, which is already being implemented by the States of Karnataka and Kerala. We impress upon the concerned States to consider to implement the system for electronic (digital) generation of a DIN for all communications sent by the State Tax Officers to taxpayers and other concerned persons so as to bring in transparency and accountability in the indirect tax administration at the earliest.

With this, the present writ petition stands disposed of.

Registry is directed to send copy of this order to the Chief Secretary of all the Respondent States in the Country to take note of the present order and take further steps in the matter.

……..J.
[M.R. SHAH]

NEW DELHI;
JULY 18, 2022.

……..J.
[B.V. NAGARATHNA]