

Genpact India Private Limited v. Deputy Commissioner of Income Tax & Anr.

Civil Appeal No. 8945 of 2019

[2019] 17 SCR 139 | 2019-11-22

Is a determination of liability under section 115QA appealable under the Act, and could the High Court decline the writ petition on alternative-remedy grounds after issuing notice and granting interim relief?

115QA | 246A(1)(a) | 246(1)(a) | 143(2) | 143(3)

Two judges | Uday Umesh Lalit, J. | Indira Banerjee, J.

Assessment years: 2014-15

IMPORTANT: APPELLATE REMEDY ONLY; BUYBACK MERITS UNDECIDED

The Supreme Court appeal was dismissed, but the statutory tax appeal was preserved. This judgment establishes an appellate remedy; it expressly leaves buyback liability, statutory coverage and computation undecided. The case-specific concessions do not establish an automatic limitation waiver or stay, and the alternative-remedy reasoning does not create an absolute bar to writ jurisdiction. Later statutory changes were checked only within the disclosed bounds. The unretained 2024 Gazette passage was seen only as an indexed official extract, not as an authenticated enactment read. Comprehensive later treatment, current-law applicability and Income-tax Act, 2025 mapping remain not_verified.

01 FACTS OF THE CASE

Genpact's sole shareholder and holding company was Genpact India Investment, Mauritius. Out of 25,68,700 opening shares, Genpact bought back 2,50,000 in May 2013 at Rs. 32,000 each for Rs. 800 crore. Following Delhi High Court approval of an arrangement on 10 September 2013 in Company Petition 349/2013, it bought back another 7,50,000 shares at Rs. 35,000 each for Rs. 2,625 crore. The two tranches and dates must be kept separate; the later transaction generated the section 115QA demand described in the judgment (paragraph 3(a)-(c), physical 4-6).

The return for AY 2014-15, filed on 28 November 2014, disclosed the transactions in Schedule DDT but denied liability. A section 143(2) notice followed on 3 September 2015. The assessment order of 31 December 2016 made ten additions, including the section 115QA determination. Genpact argued that the later buyback was pursuant to a section 391 arrangement rather than a section 77A buyback within the then statutory definition. The assessing officer rejected that position and treated Rs. 2,625 crore as distributed income chargeable at 20%. That is the assessing officer's determination, not a liability or computation endorsed by the Supreme Court (paragraph 3(d)-(g), physical 6-8).

Genpact used the statutory appeal for the other nine additions. The Court was told it had succeeded before the Commissioner (Appeals), with Revenue's further challenge pending before the Tribunal. For the section 115QA issue alone it filed W.P.(C) 686/2017, alleging want of jurisdiction. The report supplies no later resolution of the other nine issues, and this note does not infer one (paragraph 3(h)-(l), physical 8-10).

Revenue objected to the writ at the first available opportunity because an adequate appeal existed. On 25 January 2017, the High Court issued notice and restrained enforcement of the section 115QA demand, giving a prima facie view about the then definition and the later 2016 amendment. The interim order was made absolute on 30 August 2017. After pleadings, the High Court declined to entertain the writ on 19 August 2019 and provided a protected route to the Commissioner (Appeals). Genpact filed SLP(C) 20728/2019 on 26 August and a without-prejudice statutory appeal on 30 August 2019. The judgment describes that appeal as within the High Court's ten-day opportunity; it is not a fresh limitation computation by this note (paragraphs 3(i)-(m) and 4, physical 8-12).

Source: See the proposition-specific paragraph and PDF-page references below.

02 DISCUSSION BY THE HON'BLE COURT

The historical charging provisions are reproduced to explain the dispute and the remedy. Chapter XII-DA, including sections 115QA-115QC, came into force on 1 June 2013. The quoted pre-1 June 2016 section 115QA imposed additional company-level tax at 20% on distributed income from the specified unlisted-share buyback, defined buyback by reference to section 77A of the 1956 Companies Act, and measured distributed income by consideration less the amount received on issue. It also provided payment within fourteen days, finality of that tax payment without further credit, and no deduction of the taxed income or tax. The judgment records the 1 June 2016 replacement of the definition with a reference to buybacks under any companies law. Those historical provisions frame the competing contentions; whether the actual arrangement fell within them was expressly left open (paragraphs 3(b) and 18, physical 4-6 and 25).

Genpact submitted that a section 115QA charge was on a payment rather than its total income, was not an assessment under section 143(3), and therefore lacked a statutory appeal. It also argued that the High Court's earlier decisions to entertain the writ and grant interim relief prevented a later rejection on alternative-remedy grounds. Revenue answered that the tax determination was appealable and that its recorded concessions protected Genpact against prejudice (paragraphs 5-7, physical 12-14).

The Court separated the appeal provision into distinct situations. The historic section 246(1)(a) covered an adverse order where the assessee denied liability to be assessed under the Act, specified section 143 intimations, and specified section 143(3)/144 assessments. The first category was independent of the latter assessment categories. Kanpur Coal Syndicate, interpreting the comparable denial-of-liability expression in section 30 of the 1922 Act, explained that denial can concern liability in particular circumstances as well as total non-liability. The same operative expression appears in section 246A(1)(a), the applicable Commissioner (Appeals) route in this case (paragraphs 7-11, physical 14-20).

Determinations whether a company is liable under section 115QA, and questions about quantification, computation and extent of that liability, fall within that independent category. Restricting it to sections 143 or 144 would deprive assessee of ordinary appellate fact-finding and the statutory hierarchy, leaving them to writ proceedings which normally do not resolve disputed facts. The Court therefore held a section 115QA determination appealable; it did not manufacture a remedy merely from Revenue's concession or decide the correctness of the tax charge (paragraphs 12-14, physical 20-21).

On Article 226, the Court applied Chhabil Dass Agarwal and Mathew K.C. The existence of an efficacious statutory remedy ordinarily calls for the writ court's restraint; this is a discretionary, self-imposed rule, not the extinction of constitutional jurisdiction. The quoted authorities preserve exceptional cases, including serious departures from the statutory or judicial procedure and violations of natural justice. Genpact's challenge did not persuade the Court to depart from that normal approach in the circumstances, particularly with the protected statutory remedy available (paragraphs 15-17, physical 21-25).

02 DISCUSSION BY THE HON'BLE COURT

The preliminary objection had never actually been rejected. Issuing notice on a prima facie view and later making interim protection absolute did not finally settle that objection. Applying U.P. Rajya Khanij Vikas Nigam Sangharsh Samiti, the Court rejected an absolute rule that admission or interim relief prevents later refusal on alternative-remedy grounds. Such earlier steps may be relevant to discretion, but they are not conclusive (paragraph 16, physical 23-25).

The High Court's directions and Revenue's concessions were part of the Court's assessment of an effective remedy. The opportunity was confined to the section 115QA demand but permitted every issue relevant to that demand, not only points taken in the writ. On an appeal filed within the stipulated ten days, Revenue would not object to maintainability or limitation and would not enforce the demand until disposal. The High Court directed a reasoned decision by 31 October 2019, communication within ten days thereafter, and a further two-week non-enforcement period after communication if the demand were affirmed. Neither court expressed a tax-merits view. These are the historical directions reproduced in paragraph 3(m); paragraph 17 relies on the concessions, while paragraph 20's later operative direction is simply to proceed with the already filed statutory appeal in accordance with law (physical 11 and 25).

Source: See the proposition-specific paragraph and PDF-page references below.

03 JUDICIAL DECISION

The Supreme Court dismissed Civil Appeal 8945/2019 with no costs. A determination under section 115QA is appealable under the denial-of-liability limb reflected in section 246A(1)(a), and the High Court properly declined to entertain the writ in the circumstances. The Supreme Court expressly refrained from deciding whether Genpact was liable or whether this buyback fell within section 115QA. Its appeal filed before the tax appellate authority on 30 August 2019 was directed to proceed in accordance with law (paragraphs 14 and 17-20, physical 21 and 25).

Source: See the proposition-specific paragraph and PDF-page references below.

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Revenue on the Supreme Court challenge to the alternative-remedy disposition; Genpact's statutory tax appeal preserved, tax merits undecided

Supreme Court appeal dismissed; already-filed statutory appeal to proceed in accordance with law; no costs

Final reasoned ruling on appealability and writ discretion only; underlying buyback liability and computation expressly reserved

No decision that a section 391 arrangement is taxable or exempt, no adjudication of retroactivity of the 2016 definition, no approval of the assessment's Rs. 2,625 crore computation, and no absolute bar to Article 226 jurisdiction.

Source: See the proposition-specific paragraph and PDF-page references below.

05 AKHB REVIEW POINT

The practical legal point is the breadth of the statutory appeal, not an answer to the buyback tax question. Read the operative denial-of-liability words and the order under challenge before assuming that the absence of a separately named charging section from an appeal list defeats the remedy. The Court's reasoning covers whether liability exists and its computation, while preserving ordinary fact-finding and further appeals. Revenue's concessions protected this particular transition from writ to appeal; they do not create a standing waiver of limitation or automatic stay for other assessees.

Keep three distinctions visible: Genpact lost its Supreme Court appeal but retained its tax appeal; the High Court's interim prima facie observations were not adopted as final merits findings; and the historic section 246 comparator is not necessarily the later section bearing the same number. A bounded fresh reading of the Department's 2024 (No. 2) sections 246 and 246A confirms the version warning: the departmental amendment footnote records replacement of section 246 from 1 April 2023, with a Joint Commissioner (Appeals) route, while the reviewed section 246A(1)(a) retains the denial-of-liability wording. This is not a complete certification of the current forum, rules or savings for a live case.

A fresh bounded read of the Department's Domestic Company guidance, under Buy Back of Shares, expressly notes the 1 October 2024 sunset of the company-level section 115QA charge and a shareholder-dividend change. This is administrative guidance, not an authenticated enactment or complete tax analysis; the same page also retains a historical section 77A definition, so its general bullets should not be read as one uniform statutory version. Separately, an indexed official Gazette extract of Finance (No. 2) Act, 2024, section 39, records the proviso disapplying section 115QA(1) for buybacks on or after 1 October 2024. Live retrieval of that Gazette PDF failed, so no original-PDF integrity, visual verification or complete Act reading is claimed. These checks warn against applying the judgment's historical 20% description to every later buyback. The replacement shareholder regime and 2025 Act mapping are not independently resolved here.

Targeted official-domain and adverse-term searches did not identify a later primary ruling reversing this specific appellate-remedy holding. They do not establish comprehensive later treatment or the eventual outcome of Genpact's tax appeal. Comprehensive later treatment, current-law applicability and 1961-to-2025 mapping remain not_verified.

Source: See the proposition-specific paragraph and PDF-page references below.

DETAILED DISPOSITION AND CONNECTED GROUPS

Proceeding outcomes

1.

Case number: Civil Appeal No. 8945 of 2019, arising from SLP(C) No. 20728 of 2019

Outcome: Dismissed, no costs; Delhi High Court's refusal to entertain W.P.(C) 686/2017 left undisturbed

2.

Case number: Statutory appeal filed on 30 August 2019, number not supplied

Outcome: Directed to proceed in accordance with law; liability and statutory coverage for the appropriate authorities, without a Supreme Court merits finding

3.

Case number: Appeals concerning the other nine assessment additions, numbers not supplied

Outcome: Background only: assessee had succeeded before CIT(A) and Revenue's Tribunal challenge was stated to be pending; no disposition of those issues in this Supreme Court appeal

Costs: No costs, expressly stated in paragraph 19

Timing and protection: High Court's recorded ten-day filing opportunity, 31 October 2019 decision target, ten-day communication period, and non-enforcement through appeal disposal plus two weeks after communication of an adverse decision are preserved as historical directions. Supreme Court paragraphs 17-20 rely on the concessions and direct the already-filed appeal to proceed; they supply no fresh replacement calendar deadline.

PROPOSITION-SPECIFIC SOURCE PARAGRAPHS AND PDF PAGES

1.

Source url: [Open cited source](#)

Pdf pages: 4; 5; 6; 7; 8

Paragraphs: Paragraph 3(a)-(h): separate transactions, historical charging text, assessment and other additions

Source role: judicial text

2.

Source url: [Open cited source](#)

Pdf pages: 9; 10; 11; 12

Paragraphs: Paragraph 3(i)-(m) and 4: writ history, conditional safeguards and without-prejudice statutory appeal

Source role: judicial text

3.

Source url: [Open cited source](#)

Pdf pages: 14; 15; 18; 19; 20; 21

Paragraphs: Paragraphs 7-14: historical sections 246/246A, Kanpur Coal Syndicate and autonomous denial-of-liability reasoning

Source role: judicial text

4.

Source url: [Open cited source](#)

Pdf pages: 21; 22; 23; 24; 25

Paragraphs: Paragraphs 15-20: discretionary writ rule, pending preliminary objection, reserved merits, no costs and continuation direction

Source role: judicial text

ADDITIONAL STATUTORY CONTEXT, NOT SEPARATE HOLDINGS

Actual construction of the denial-of-liability limb in the appeal provisions and its application to a determination under historical section 115QA. The operative remedy is under section 246A; the old section 246 text is used for comparison. The Court expressly does not decide whether this buyback was taxable.

JUDICIAL AUTHORSHIP AND SEPARATE OPINIONS

Uday Umesh Lalit, J.

ACT IDENTIFIED IN THE REVIEWED SOURCE

Income-tax Act, 1961

SPECIFIED LATER TREATMENT CHECKS AND THEIR LIMITS

1.

Type: primary judgment internal relationships

Status: verified within primary

Scope: Kanpur Coal Syndicate, Chhabil Dass Agarwal, Mathew K.C. and U.P. Rajya Khanij Vikas Nigam Sangharsh Samiti as quoted and applied in paragraphs 9 and 15-16; no independent complete reading of those judgments for this note.

2.

Type: targeted later adverse search

Status: bounded search only

Checked at: 2026-10-05T18:01:48.208596+00:00

Queries: site:sci.gov.in "Genpact" "8945"; "Genpact India" "2019" "Supreme Court" overruled; site:api.sci.gov.in "Genpact India Private Limited" -"22-Nov-2019" -jonew; "Genpact" "115QA" "2024" site:api.sci.gov.in/supremecourt; "Genpact India Private Limited" "2021" "Judgement" site:api.sci.gov.in

Result: No later adverse primary judgment resolving this specific appellate-remedy holding was identified. Results include the original judgment, unrelated proceedings and secondary pages; no exhaustive citator or later tax-appeal outcome verification.

3.

Type: later section version comparison

Status: bounded official html read

Checked at: 2026-10-05T18:01:48.208596+00:00

Urls: <https://www.incometaxindia.gov.in/w/section-246-63>;
<https://www.incometaxindia.gov.in/hi/w/section-246a-36>

Read bounds: Departmental 2024 (No. 2) section 246 displayed text and footnotes (web lines 38-99); section 246A displayed text and footnotes (lines 39-129), including section 246A(1)(a). No whole Act or amending-Gazette reading.

Finding: Departmental text records section 246 substitution from 1 April 2023 and the later Joint Commissioner (Appeals) route; the selected section 246A text retains the denial-of-liability limb. No complete current forum/procedure or 2025 crosswalk conclusion.

4.

Type: later 115QA version check

Status: indexed official gazette excerpt only live fetch failed

Checked at: 2026-10-05T18:01:48.208596+00:00

Url: [Open cited source](#)

Title: Finance (No. 2) Act, 2024, section 39

Read bounds: Indexed official Gazette search extract encompassing sections 38-42, specifically section 39. Exact PDF web fetch and one ordinary download attempt returned 502; no PDF retained or page images read. No complete Act reading.

Finding: Indexed enacted text records insertion from 1 October 2024 of a proviso disapplying section 115QA(1) for buybacks on or after that date. Used as an expressly qualified version warning, not a present-law certification.

5.

Type: later 115QA administrative guidance

Status: bounded official guidance read

Checked at: 2026-10-05T18:03:15.867530+00:00

Url: [Open cited source](#)

Read bounds: Buy Back of Shares section, web lines 457-473; especially express note at line 466 and section 115QA label at line 471. Not a complete-page or whole-Act read.

Finding: Departmental guidance expressly flags 1 October 2024 sunset and shareholder dividend change; same page's retained historical section 77A bullet requires version caution. No independent complete shareholder-tax analysis or 2025 mapping.

OTHER STATUTORY PROVISIONS AND THEIR SEPARATE SCOPE

Section 144, comparison in appealable-order clauses; Sections 115QB and 115QC, identified as part of Chapter XII-DA, not independently adjudicated; Section 2(45), assessee's argument about total income; Companies Act, 1956, sections 77A and 391; 2013 arrangement and historical buy-back definition; Constitution of India, Article 226, discretionary alternative-remedy doctrine; Income-tax Act, 1922, section 30, through Kanpur Coal Syndicate as interpretative precedent

DATED OFFICIAL STATUTORY HTML COMPARISONS AND READING LIMITS

1.

Kind: bounded later statutory html

Title: Income-tax Act, 1961, departmental 2024 (No. 2) section 246

Url: [Open cited source](#)

File bytes: Not stated in the reviewed record

Sha256: Not stated in the reviewed record

Pdf pages: Not stated in the reviewed record

Full document read: False

All document text read: False

All document images read: False

Full judgment text read: False

Read bounds: Displayed section 246 and amendment footnotes; web response lines 38-99; whole statutory section as displayed, not complete Act.

Provenance: Successful official departmental HTML read. Tool response retained separately as a capture, not original PDF bytes; no Gazette authentication or comprehensive current-law verification.

2.

Kind: bounded later statutory html

Title: Income-tax Act, 1961, departmental 2024 (No. 2) section 246A

Url: [Open cited source](#)

File bytes: Not stated in the reviewed record

Sha256: Not stated in the reviewed record

Pdf pages: Not stated in the reviewed record

Full document read: False

All document text read: False

All document images read: False

Full judgment text read: False

Read bounds: Displayed section 246A and amendment footnotes; web response lines 39-129; whole statutory section as displayed, not complete Act.

Provenance: Successful official departmental HTML read. Tool response retained separately as a capture, not original PDF bytes; no Gazette authentication or comprehensive current-law verification.

BOUNDED NON-PDF SOURCES AND READING LIMITS

1.

Kind: bounded departmental administrative guidance

Title: Income Tax Department: Domestic Company, Buy Back of Shares

Url: [Open cited source](#)

Sha256: Not stated in the reviewed record

File bytes: Not stated in the reviewed record

Pdf pages: Not stated in the reviewed record

Full document read: False

All document text read: False

All document images read: False

Full judgment text read: False

Read bounds: Buy Back of Shares section, web lines 457-473; historical bullets, express 2024 sunset/shareholder note at line 466 and section 115QA inapplicability label at line 471. Other portions of the long page are not claimed comprehensively reviewed.

Provenance: Successful live official HTML read and bounded response capture. Administrative tutorial, not original enacted text or current-law authentication. Historical section 77A wording on the same page is explicitly flagged.

2.

Kind: indexed official gazette excerpt

Title: Finance (No. 2) Act, 2024, section 39: indexed official Gazette extract only

Url: [Open cited source](#)

Filename: Not stated in the reviewed record

Sha256: Not stated in the reviewed record

File bytes: Not stated in the reviewed record

Pdf pages: Not stated in the reviewed record

Raw pdf retained: False

Physical text pages read:

Complete extracted text pages read:

Physical image pages read:

Full document read: False

All document text read: False

All document images read: False

Full judgment text read: False

Full bounded judicial text read: False

Authenticated enactment read: False

Read bounds: Only indexed official search-returned Gazette text for section 39, headed Amendment of section 115QA, with adjacent displayed material from sections 38-42. Section 39 records insertion of the proviso concerning buybacks on or after 1 October 2024. No verified physical PDF page number, complete Act reading or page-image reading.

Retrieval status: Exact official PDF URL returned 502 Bad Gateway through web open and one ordinary urllib download attempt. No PDF bytes were retained. No further attempt was made.

Provenance: Indexed search excerpt only, recorded in a separately retained tool-response capture. This is not an authenticated enactment read. The capture hash is not a raw Gazette PDF hash. Used only within the expressly disclosed later-version warning; comprehensive later treatment, current-law applicability and 2025 mapping remain not_verified.

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported judgment\)](#)

Identified source rendition: 25 PDF pages; SHA-256

041300f8e77321a6d1a2c82d607b17e5266c791d5297604b7616873a6a83fade. Original bytes preserved.

[Open cited source rendition](#)

full primary text read: True; all primary page images reviewed: False; source integrity verified: True; actual statutory scope verified: True; all listed proceedings accounted for: True; comprehensive later treatment verified: False; current law verified: False; mapping 2025 verified: False; independent QA complete: True; parent full prose approval: True

Printed SCR heading, date, bench, proceedings and material judicial pages checked against source images. Catalogue INSC identifier not independently authenticated. Pinpoints use this rendition's physical pages and printed judicial paragraph numbering.

The assessing officer's anti-avoidance rationale, Mauritius treaty discussion and statement of taxable distributed income are reproduced in paragraph 3(g); they are not the Supreme Court's tax-merits conclusions.; The May 2013 Rs. 800 crore and later Rs. 2,625 crore transactions are distinct. The note does not infer a separate ruling about the first tranche.; Historic section 246 reproduced at physical 14 expressly describes appeals before 1 June 2000; section 246A supplies the actual appellate route. Later renumbering/substitution must be checked.; High Court's January 2017 observations on statutory coverage and the 2016 amendment were prima facie only. Paragraph 18 expressly reserves those merits.; Physical 11 prints a ten-day filing opportunity after the 19 August 2019 High Court order; physical 12 describes the 30 August appeal as within that opportunity. Both source statements are preserved without reconstructing deadline arithmetic or inventing condonation.; The reproduced High Court target of 31 October 2019 predates the Supreme Court's 22 November 2019 judgment. Paragraph 20 directs the filed appeal to proceed but specifies no replacement date. No unexamined intervening order is silently incorporated.; No separate companion Supreme Court appeal appears. The other nine additions and later Revenue challenge are background proceedings, not merits disposed of here.; Search results included a secondary characterization claiming the 2019 appeal was allowed on buyback merits; it is contradicted by the actual primary paragraphs 18-20 and was not used.; Only bounded departmental statutory-section HTML, administrative guidance and indexed Gazette text were used for later-version warnings. Domestic Company guidance retains historical section 77A wording beside its express 2024 sunset note. The Gazette PDF could not be retrieved; no original PDF integrity or complete current statutory history is certified.

AY 2014-15 is expressly given in paragraph 3(d), physical 6/SCR 144. The report mentions other issues in the same assessment only as procedural background.

One civil appeal from Delhi High Court's 19 August 2019 order in W.P.(C) 686/2017; SLP(C) 20728/2019 appears in judicial paragraph 4. The statutory appeal dated 30 August 2019 is a distinct proceeding and is directed to continue; no CIT(A) appeal number is given.

STATUTORY SCOPE

No Income-tax Act, 1961 to Income-tax Act, 2025 crosswalk or automatic carryover. Complete amendment history, commencement, savings and present applicability have not been verified.

LATER TREATMENT

Source checked 2026-10-05. Only bounded checks listed below were performed. A limited search not locating an adverse decision does not establish that none exists or certify that the rule remains applicable.

IDENTIFIED SOURCE LINKS

[reported judgment - PDF pages: 25](#)

SHA-256: 041300f8e77321a6d1a2c82d607b17e5266c791d5297604b7616873a6a83fade

[Income-tax Act, 1961, departmental 2024 \(No. 2\) section 246](#)

[Income-tax Act, 1961, departmental 2024 \(No. 2\) section 246A](#)

[Income Tax Department: Domestic Company, Buy Back of Shares](#)

[Finance \(No. 2\) Act, 2024, section 39: indexed official Gazette extract only](#)

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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