

SUPREME COURT OF INDIA  
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Civil)...../2008  
CC 13187/2008

(From the judgement and order dated 26/11/2007 in ITA No.238/2002  
of the HIGH COURT OF KARNATAKA AT BANGALORE)

COMMR.OF INCOME TAX,MANGALORE & ANR.

Petitioner(s)

VERSUS

K.V.G.DENTAL COLLEGE & HOSPITAL

Respondent(s)

(With appln(s) for c/delay in filing SLP)

Date: 29/09/2008 This Petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.H. KAPADIA  
HON'BLE MR. JUSTICE B. SUDERSHAN REDDY

For Petitioner(s)            Mr. Parag P. Tripathi, ASG.  
   Mr. Krishan Kumar, Adv.  
   Mr. Kunal Bahri, Adv.  
   Mr. B.V. Balaram Das,Adv.

For Respondent(s)

UPON hearing counsel the Court made the following  
ORDER

Delay condoned.

In our view, the important question of law which arises in  
this case is: Whether Section 271C of the Income Tax Act, 1961 is  
compensatory or penal in nature. This question, unfortunately, has  
not been raised by the Department before the courts below. It is not  
even raised in the S.L.P. Keeping this question of law open, on facts  
of this case, we do not wish to interfere.

Special Leave Petition stands dismissed.

(N. ANNAPURNA)  
COURT MASTER      COURT MASTER

(MADHU SAXENA)