

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 321 OF 1995

The Commissioner of Income Tax, Bombay .. Applicant  
V/s.

M/s. Hem Holdings & Trading Ltd., Bombay-21 .. Respondent

Mr. R.V. Desai, Sr. Advocate with Ms. S.V. Bharucha for  
the Applicant

None present for the Respondent

CORAM : S. RADHAKRISHNAN &  
J.P. DEVADHAR, JJ.

DATED : 28.02.2005

P.C.:-

1. Heard the learned counsel for the Applicant. The  
substantial question of law referred to reads as under:-

"1. Whether on the facts and in the circumstances of  
the case, the assessee was entitled to investment  
allowance under Sec. 32 A of the I.T. Act, 1961, in  
respect of the machinery given on hire/lease to the  
outsiders including customers?"

2. The learned counsel for the Applicant fairly states  
that the above question is squarely covered by judgment  
of the Supreme Court in **CIT v. Shaan Finance (P) Ltd.**  
**(1998) 231 ITR 308 (SC)** in favour of the assessee and  
against the Revenue. Accordingly, the question is  
answered in the affirmative, in favour of the assessee  
and against the Revenue.

(S. RADHAKRISHNAN, J.)

(J.P. DEVADHAR, J.)