

Deduction of Income-tax from Dividend paid to Share-holders

2690. SHRI R. K. MHALGI: Will the Minister of FINANCE be pleased to state:

(a) whether companies, while distributing dividend to their share-holders are required to deduct income-tax from the dividend amount under the provisions of Section 194 of the Income-Tax Act, 1961;

(b) whether income-tax on the dividend amount is collected even in cases where total income, including the dividend amount, is less than taxable amount;

(c) whether the shareholders who do not wish the Company to deduct the income-tax amount from their dividend amount are required to make a declaration (Form No. 14-B) to get the refund for the amounts so paid; and

(d) if so, whether Government propose to extend the present limit of Rs. 250 to Rs. 1000 and waive the condition of declaration form No. 14-B so as to avoid inconvenience on the part of the shareholders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH SISODIA): (a) Yes, Sir.

(b) and (c). Income-tax on dividend is deducted at source except in the case of a shareholder not being company, if—

(i) the shareholder is resident in India;

(ii) the amount of such dividend does not exceed Rs 250; and

(iii) the shareholder furnishes to the person responsible for paying the dividend, a statement in writing in Form 14B certifying that his total income will be less than the minimum liable to tax.

Further, under the provisions of section 197(1) of the Act, a shareholder

not being a company can, where his total income so justifies, obtain a certificate of no deduction or lower rate of deduction of tax at source, as the case may be, from the Income-tax Officer concerned by submitting an application on the prescribed form.

(d) There is no such proposal under consideration of the Government at present.

Closure of Mines in Orissa

2691. SHRI HARIHAR SOREN: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that some mines were closed down in Orissa in the years 1977, 1978 and 1979;

(b) if so, the number and names of such mines;

(c) the number of employees remained out of job on account of the closure of those mines; and

(d) the reasons of closure and the steps taken by Government for the refunctioning of those mines?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) The total number of mines in Orissa which were either temporarily closed down or which discontinued production is 22 in 1977, 19 in 1978 and 17 in 1979. Out of these mines, 21 have still not reported production. Their names are given in the Annexure.

(c) According to information made available by the State Government 1116 employees were affected on account of the closure of the mines.

(d) Among the major reasons for closure of Mines of temporary discontinuance of production were un-economic working, lack of market, in-adequate road and railway facilities, on set of monsoon, scarcity of fuel, water logging etc.

The State Government have requested the railway authorities to provide adequate number of wagons. The State Government have also issued notices as required under law to the lessees to resume Mining operations. The State Government have also taken steps to develop road communications, wherever possible.

Statement

Serial No.	Name of the Mine
1.	Simplipal
2.	Barine
3.	Ispat
4.	Tiring Pahar
5.	Bolani
6.	Dengura New
7.	Raju RF (Dhalmandal)
8.	Unchabali
9.	Kuting Pahar
10.	Budberna
11.	Nuagoan
12.	Daikhal
13.	Karlakana
14.	Alanda
15.	Bonaikela
16.	Bagaiburu
17.	Jajang
18.	Sarkunda
19.	Eobira
20.	Barsuan
21.	Ragdega.

Utilization of Boeing-747 being bought by Air India

2692. SHRI S. M. KRISHNA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the number of Boeing-747 which have been or are being bought by the Air India during the current year;

(b) how it is proposed to utilise them, when its fleet utilisation is poor;

(c) at what prices these have been or are being bought and the mode of financing the deal;

(d) whether the Air-India in anticipation of starting its service to the U.S. West Coast has already opened an Office at San Francisco;

(e) if so, the total expenditure incurred on the opening and maintenance of this off-line office in foreign currency; and

(f) what other new services the Air-India propose to start and open new Offices in U.S.A. and other countries during the current year and approximate expenditure involved therein?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A. P. SHARMA): (a) to (c). Air India is not purchasing any Boeing-747 aircraft during the current year. However, one Boeing 747 aircraft which was ordered in 1978 was received on 4th April, 1980. The cost of the aircraft was US dollars 49.4718 million equivalent to Rs. 40.73 crores.

(d) and (e). No, Sir. However an off-line sales office was opened by Air India as far back as April, 1962 at San Francisco. The annual maintenance expenditure of this off-line office for the year 1979-80 was Rs. 35.80 lakhs (US \$.435 million). This office earned a revenue of Rs. 150.26 lakhs (US \$ 1.825 million) during the same year.

(f) Air-India does not propose to open new offices either in U.S.A. or other countries during the current