

was declaring prizes in the name of non-existing persons or in the name of his benamidars.

(c) The Finance Bill 1972 seeks to amend the Income-tax Act, 1961 with a view to make prizes won in lotteries taxable. Instructions have been issued to all Income-tax Officers to collect information about the winners of lotteries in each State and communicate it to the Income-tax Officers concerned with a view to consider the liability of the winner to wealth-tax and the liability on the Income from the investment of the winnings to income-tax.

#### **MORATORIUM ON FOREIGN DEBTS**

374. SHRI S. KUMARAN:  
SHRI S.G. SARDESAI: SHRI  
BHUPESH GUPTA:

Will the Minister of FINANCE be pleased to state :

(a) Whether the question of declaring a moratorium on foreign debts has been examined by Government; and

(b) if so, what are the details in this regard ?

THE MINISTER OF FINANCE (SHRI Y.B. CHAVAN) : (a) and (b) Government do not consider it desirable to declare a moratorium on repayment of foreign debts.

#### **LOSS INCURRED BY AIR INDIA**

375. SHRI K.C. PANDA :  
SHRI BIRA KESARI DEO :  
SHRI LOKANATH MISRA:  
SHRI K.P. SINGH DEO :

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) The total loss, if any, incurred by Air India after the introduction of foreign travel tax ;

(b) Whether there are other reasons also which cause loss to Air India; if so, the details thereof; and

(c) Whether Government are formulating any scheme to ensure efficient function-

ing of Air India with a view to avoid losses and if so, the details thereof ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH) :

(a) While the foreign travel tax has had an inhibitory effect on travel from India, it is difficult to assess the actual extent of the loss.

(b) The main reasons for the losses are :

1. Substantial increases in staff costs following wage settlements.

2. Decline in the rate of growth of world air travel due to the recent monetary crisis in the U.S.A. and Europe.

3. Additional expenditure on account of circuitous flying to avoid Pakistani territory.

4. Increase in insurance rates to cover hijacking and war risks.

5. Disruption of services on account of Pakistani aggression.

(c) Air India are making strenuous efforts to effect economies in expenditure, optimise fleet utilisation and promote traffic. The Corporation has also established a charter company for cheap charter operations.

#### **BRITISH PROPOSAL FOR SENDING FLAGSHIP INTO BAY OF BENGAL**

376. SHRI DAHYABHAI V. PATEL .  
SHRI K. C. PANDA : SHRI  
LOKANATH MISRA : SHRI K.  
P. SINGH DEO :

Will the Minister of DEFENCE be pleased to state :

(a) whether the British Government had proposed to send a flagship into the Bay of Bengal during the Indo-Pakistan conflict; and

(b) what was the reaction of the Government of India in regard thereto ?