

(d) The Government has received assurances from the hotel industry that every effort will be made to ensure that foreign nationals pay their hotel bills in foreign exchange. For this purpose special money changing facilities are being extended by the Reserve Bank of India.

**Distribution of coarse cloth through fair price shops**

928. SHRI D. K. PANDA:  
SHRI NAGESHWAR RAO:

Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether Government have decided to distribute coarse cloth through fair price shops;

(b) if so, the total quantity of coarse cloth required for distribution through fair price shops; and

(c) the steps taken to ensure regular supply of coarse cloth to the fair price shops?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE): (a) According to the new scheme which came into force with effect from 1-11-1972 the Government have decided to distribute controlled varieties of coarse and lower medium cloth through mills own retail shops, super bazars, fair price shops affiliated to National Co-operative Consumers' Federation and fair price shops opened by the State Governments.

(b) The entire production of about 100 million metres of controlled cloth per quarter is distributed through the channels stated above.

(c) Every State is allotted a quota of controlled cloth and the State Governments, in turn, arrange distribution of the cloth to consumers through the above mentioned sources.

**Enquiry into clandestine import of woollen clothes**

929. SHRI N. K. SANGHI:  
SHRI RAM BHAGAT  
PASWAN:

Will the Minister of FINANCE be pleased to state:

(a) whether, even though the Customs had the knowledge about the clandestine import of woollen clothes as 'rags' since early 1971 and they had caught many consignments red handed they did not render them unserviceable as is required under the Sea Customs Act;

(b) whether in spite of the positive instructions from the Ministry of Foreign Trade, the Customs authorities released all the confiscated goods against bonds signed by importers that they would mutilate the clothes themselves;

(c) whether the Customs refused to agree to a suggestion for a joint inspection of goods by State Trading Corporation, the Customs and the Textile Commissioner; and

(d) if so, the justification for the attitude adopted by the Customs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) No, Sir. It has been reported to us that Customs have not released any detected case of import of serviceable garments without taking mutilation action. Since early 1971, about 60 consignments were detected by Bombay Customs and rendered unserviceable either in the docks or subsequently under Customs supervision in Bombay except for six consignments which were rendered unserviceable under the supervision of Central Excise officers at Ludhiana.

(b) No confiscated goods were released against bonds for mutilation of the clothes by the importers themselves. In May, 1972 and July, 1972 Ministry of Foreign Trade had suggested the release of garments after