10 DOWNING STREET

From the Private Secretary

9 April 1981

De'n Strat,

PRIME MINISTER'S VISIT TO INDIA

Your Department's brief on Bilateral Trade mentions the question of "folkloric" garments being detained by HM Customs. At this afternoon's briefing meeting - though after your Secretary of State and Sir Kenneth Clucas had left - the High Commissioner said that a concession on this issue could be of significance in helping to secure the Paradip steel contract.

The Prime Minister has asked that immediate consideration should be given to releasing the garments which are currently being detained before she leaves for India on Tuesday.

I understand that many of the garments are being detained because the European Commission have ruled that they are inadmissible. If it is impossible to move the Commission on this, would it at least be possible to arrange for those garments which the Commission have judged to be "folkloric" to be released?

I should be grateful if you could let me know in the course of tomorrow what action your Department proposes to take on this.

I am sending copies of this letter to John Wiggins (HM Treasury) and George Walden (FCO).

Stuart Hampson Esq Department of Trade.