

1976 the export of iron ore was of the order of 2.3 million tonnes and this year we have fixed a target of 4.5 million tonnes. The various trade and commercial activities which are going on between the two countries, indicate that we are expanding our trade relations.

Trade between India and China

*703. SHRI DILEEP SINGH BHURIA: Will the Minister of COMMERCE be pleased to state what was the position of trade between India and China during the last three years?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): Bilateral trade with China was resumed from June 1977. During the years 1977-78 and 1978-79 exports to China were of the order of Rs. 193 lakhs and Rs. 2643 lakhs respectively. Imports from China during the same years amounted to Rs. 95 lakhs and Rs. 117 lakhs respectively.

श्री दिलीप सिंह भूरिया : मैं जानना चाहता हूँ कि 1977-78 और 1978-79 में कौन कौन सा माल चीन से आयात किया गया और कौन कौन सा माल भारत द्वारा चीन को निर्यात किया गया ?

SHRI PRANAB MUKHERJEE: The items of import from China are zinc, mercury, tin, sulphur, newsprint, coking coal, etc. The items of export from India are shellac, sugar, iron and steel, power generating equipment, rolling stock, machine tools, iron ore.

श्री दिलीप सिंह भूरिया : जनता शासनकाल में तत्कालीन विदेश मंत्री श्री अटल बिहारी वाजपेयी चीन गए थे । उस समय क्या भारत चीन व्यापार के बारे में भी कोई चर्चा हुई थी ? क्या 1977 में जो नीति बनी थी वही नीति आगे भी जारी रहेगी ?

SHRI PRANAB MUKHERJEE: I do not know what particular policy the hon. Member has in mind. But so far as our policy is concerned, we are trying to improve our relations with all the neighbours including China. And we are extending it to the commercial and other activities.

SHRI HANNAN MOLLAH: What is the next planning of the Government to expand trade relations with China in future?

SHRI PRANAB MUKHERJEE: As I have mentioned, in the matter of trade relations, we exchange information, we have discussions, identify the areas, identify the commodities. In that fashion, we expand our trade.

SHRI DIGVIJAY SINH: Is there any proposal of the Government to exchange trade delegations between the two countries?

SHRI PRANAB MUKHERJEE: Just not at the moment.

SHRI CHITTA BASU: Is it a fact that a delegation of FICCI and some other organisations of employers and industrialists have visited China and that they have come out with a report that there is a vast potential for expansion of trade between the India and China? Has such report been received by the Government? If so, whether that report has been considered by the Government and what concrete action has been taken in this behalf?

SHRI PRANAB MUKHERJEE: We are aware that certain delegations have visited China. In fact, when we get the report from them, we will take it into account. As I have mentioned in the context of our desire to expand the commercial and economic activities, we would like to have such suggestions from various bodies.

श्री एम० एम० ए० खाँ : यह देखते हुए कि मुल्क में शुगर की बहुत भारी कमी है और बहुत ज्यादा कीमते बढ़ रही हैं, क्या यह एडवाइजेबल है कि मुल्क में

चीनी न हो फिर भी गवर्नमेंट चाइना को शुगर एक्सपोर्ट कर रही है ?

SHRI PRANAB MUKHERJEE: Sir, the hon. Member has misunderstood it. In reply to the question as to what are the commodities exchanged between the two countries, I mentioned sugar. That does not mean that sugar is exported this year from India to China. So far as the current year's export is concerned, the hon. Member is aware that we have banned all export.

Concessional • Excise Duty to Match Industry

*705. **SHRI K. RAMAMURTHY:** Will the Minister of FINANCE be pleased to state:

(a) the considerations that weighed with Government to allow the non-mechanised small sector of match industry to enjoy concessional excise duty of Rs. 4.50 per gross when with the import of an automatic card board match-box manufacturing machine all the processes are mechanised; and

(b) the steps proposed to be taken for bringing this sector also at par with the mechanised sector so far as excise levy is concerned?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) and (b) No licence has been given for the import of any automatic card board match-box manufacturing machine.

Excise duty is levied after taking into account a number of factors like difference in cost of production, the impact on prices and on consumption etc. There is no proposal under consideration of the Government for bringing the non-mechanised small sector at par with the mechanised sector in the matter of levy of excise duty.

SHRI K. RAMAMURTHY: Mr. Speaker, Sir, the hon. Finance Minister is very much aware of the existing position of the middle sector, that is, the non-mechanised sector better than me. Since he happened to be our Industries Minister for a long time in our State, he knows the position better than me in regard to the non-mechanised sector. But in his reply, he has stated that the excise duty is levied after taking into account a number of factors like difference in the cost of production, the impact of prices and consumption.

Sir, it is a well-known fact that this non-mechanised sector is using cheap labour and child labour and the cost of production is comparatively less than even the cottage sector. The other thing is about the impact of prices. The non-mechanised sector which is expected to pay Rs. 4.50 p. per gross as duty, is selling a match-box for 20 paise. At the same time, the cottage match manufacturers are selling it at 12 paise per box whereas the mechanised sector which is expected to pay excise duty of Rs. 7.20 p. per gross is selling at the rate of 18 paise per box. So, the hon. Finance Minister should give serious attention to the impact of prices. In view of the serious situation arising out of the price impact, may I request the hon. Finance Minister to come forward and set up a committee to go into the functioning of the non-mechanised sector and save the cottage match industry from the inroads of the middle sector?

SHRI R. VENKATARAMAN: Sir, the hon. Member has delivered a Budget speech.

MR. SPEAKER: Yes, it looks like that.

SHRI R. VENKATARAMAN: Actually he was pleading for a variation in the excise duty. As far as the three sectors—the village sector, the middle sector and the mechanised sector—are concerned, the differential