

Values in USD Billion

Year	Trade	India	Israel	Belgium
2017	Exports	15.92	NA	11.40
	Imports	2.39	NA	11.13
2016	Exports	15.47	12.69	11.8
	Imports	2.67	3.63	11.39
2015	Exports	15.2	15.11	11.07
	Imports	3.41	3.79	11.13

Source: GJEPC.

(b) Nirav Modi's incident which took place beyond the legalities and outside of the approved due diligence system set by Reserve Bank of India for the banks. As such, this incident has no bearing with the industry and the way it operates.

(c) There are some media reports on possibility of shifting diamond cutting trade to Israel and Belgium, which are based on opinion of some diamantaires not on any facts. The diamond cutting and polishing industry in India has been developed in more than 50 years and today India is world leader in cutting and polishing of diamond. The skills acquired by Indian karigars cannot be easily acquired by any country.

(d) and (e) Gem and Jewellery Export Promotion Council has been consulted in this regard and replies to part (b) and (c) above are based on such consultation.

Trade deficit

2902. SHRI MAJEED MEMON: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that there has been a 1.12 per cent decline in the overall exports to 23 billion US dollars with an increased trade deficit at 7.16 per cent to 37.11 billion US dollars in October, 2017 from 34.5 billion US dollars in the yearago period, if so, the reasons therefor;

(b) the reasons for slump in demand of gold and the rise of oil and non-oil imports which grew by 27.89 per cent and 2.19 per cent to 9.28 billion US dollar and 27.83 billion US dollars, respectively in October, 2017; and

(c) the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY): (a) India's merchandise export, import

and trade deficit in October, 2016 and October, 2017 are as follows:-

Category	Value (in Billion USD)		% Growth October, 17 over October, 16
	October, 2016	October, 2017*	
Export	23.36	22.85	-2.18
Import	34.50	37.45	8.58
Trade Deficit	(-)11.13	(-)14.60	31.15

Source: DGCI&S (*Provisional)

The data in the above table reflects that the overall exports declined to US\$ 22.85 billion in October, 2017 from US\$ 23.36 billion in October, 2016, registering a negative growth of 2.18%. Import increased to US\$ 37.45 billion in October, 2017 from US\$ 34.50 billion in October, 2016, registering a positive growth of 8.58%. The trade deficit increased to US\$ 14.60 billion in October, 2017 from US\$ 11.13 billion in October, 2016, registering a positive growth of 31.15%.

Trade deficit depends upon relative fluctuations in the import and export of different commodities due to the global and domestic factors such as demand and supply in domestic and international markets, currency fluctuations, cost of credit, logistics costs, etc.

(b) Details of India's import of oil and non-oil are as follows:-

Import of Petroleum Crude and Products and other products (in Billion USD)

Commodity	October, 2016	October, 2017*	October, 17 over October, 16
Petroleum Crude and Products	7.26	9.31	28.20
Others Non Petroleum commodities	27.24	28.15	3.35
India's total import	34.50	37.45	8.58

*Provisional.

Source: DGCI&S.

The data in the above table reflects that the import of Petroleum Crude and Products increased to US\$ 9.31 billion in October, 2017 from US\$ 7.26 billion in October, 2016, registering a positive growth of 28.20%. Increase of import of Petroleum Crude and Products is mainly due to high domestic demand and increase in international prices. The marginal rise in non-oil imports is on account of issues like demand and supply position of these products. The main reason for slump in demand of gold is due to the introduction of the 3% GST in July, 2017 and tighter regulations.

(c) In order to boost exports in the country, the Government announced a major relief package for exporters in October, 2017 by extending the Advance Authorization (AA)/Export Promotion Capital Goods (EPCG)/100% EOU schemes for sourcing inputs etc. from abroad as well as domestic suppliers. During the mid-term review of Foreign Trade Policy, export incentives under Merchandise Exports from India (MEIS) have been increased by 2% for labour intensive and MSME sectors leading to additional annual incentive of ₹ 4,567 crore. This was in addition to already announced increase in MEIS incentives from 2% to 4% for Ready-made Garments and Made Ups in the labour intensive Textiles Sector with an additional annual incentive of ₹ 2,743 crore. Further, incentives under Services Exports from India Scheme (SEIS) have also been increased by 2% leading to additional annual incentive of ₹ 1,140 crore.

For reducing imports and promoting manufacturing in India, Government has taken up major initiatives under “Make in India” and improving “Ease of Doing Business”.

Introduction of new industries

2903. SHRI MAJEED MEMON: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the new Industrial Policy to be released next year will completely revamp the Industrial Policy of 1991;

(b) whether it is also a fact that the Department of Industrial Policy and Promotion (DIPP) in floated a draft Industrial Policy in August, 2017 with the aim to create jobs for the next two decades, promote foreign technology transfer and attract 100 billion US dollars FDI annually, if so, the details thereof; and

(c) whether Government's new Industrial Policy is planning to introduce new industries currently in focus, if so, the details of industries thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY): (a) to (c) Yes Sir, Government is in the process of formulating a new Industrial Policy and consultations are being held with stakeholders, *inter alia*, including industry bodies, academia, think-tanks, State Governments and concerned Ministries/Departments of the Government of India.

The proposed new Industrial Policy envisions creation of a globally competitive Indian Industry equipped with skill, scale and technology. The objectives *inter alia* include promoting emerging technologies; build an innovation driven economy; promoting high quality industrial infrastructure; providing enhanced access to affordable capital specially for MSMEs; strengthening linkages between trade and manufacturing; enhancing skill development and making doing business easier.