

# Israel outweighs Iran in trade with India since '19

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New Delhi, 15 April

Trade links with Israel have strengthened in the past few years, even as the value of goods exchanged with Iran has diminished.

Iran accounted for \$3.9 billion worth of India's exports in the four quarters ending December 2019, compared to \$3.6 billion to Israel. However, India's exports to Iran dropped to \$1.2 billion as of December 2023, on a rolling four-quarter basis, while exports to Israel grew to \$6.1 billion in the same period.

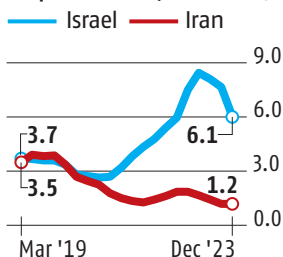
In February 2024, India imported \$126.8 million worth of manufactured goods from Israel. Other exports included pearls, precious and semi-precious stones (\$55 million), and other manufactured goods such as handicrafts, sports goods, automobile tyres, tubes, and other rubber products worth \$57.2 million in the same month.

From Iran, the top imported goods remain agricultural and allied products (\$29 million), of which fresh fruit accounted for \$28.2 million. Manufactured goods accounted for \$19 million.

Iran's imports, which totalled over \$10 billion in 2019,

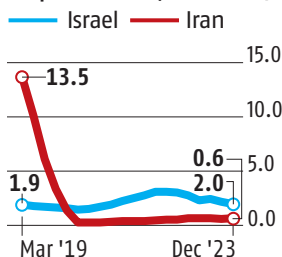
## HIGHER EXPORTS TO ISRAEL

Exports from India (rolling 4-quarter basis, in \$ billion)



## LOWER IMPORTS FROM IRAN

Imports to India (rolling 4-quarter basis, in \$ billion)



## LIMITED FDI FLOWS

Foreign direct investment (equity inflow, in \$ million)



Note: Data from April 2000 to December 2023

Source: DPIIT

have since fallen to less than \$1 billion, while imports from Israel have increased during this period. The trade balance, the difference between the value of imports and exports, has become more favourable for India with both countries.

India's exports to Israel were around \$2 billion more than imports in December 2019. This gap grew to \$4 billion in December 2023. India

also exports more to Iran than it imports.

On Monday, the trade secretary of India stated that the Indian government will make a policy decision to address any trade impact resulting from the conflict between Iran and Israel after thoroughly understanding its effects. India is among Israel's 10 largest trading partners, even as trade with Iran has decreased.

## ELECTRONICS EXPORTS RISE 23.6% IN FY24

India exported electronics goods worth \$29.12 billion in 2023-24 (FY24), up 23.6 per cent compared to a year ago, even as the country's total exports contracted 3 per cent.

According to commerce department officials, the top five export market of electronics good are – the US, United Arab Emirates, Netherland, United Kingdom, and Italy. During FY24, exports also ventured into new markets, such as Montenegro, Cayman Islands, El Salvador, Turkmenistan, Mongolia, Honduras and St Vincent.

COMPILED BY SHREYA NANDI

## ELECTRONICS EXPORTS DURING FY24

Month	Value (\$ bn)	Growth(%)
Apr	2.1	26.09
May	2.4	73.25
Jun	2.4	44.71
Jul	2.04	12.88
Aug	2.1	25.48
Sep	1.9	-4.23
Oct	2.3	27.22
Nov	2.2	0.48
Dec	2.6	15.46
Jan	2.2	8.8
Feb	2.9	54.81
Mar	3.5	23.12
<b>TOTAL</b>	<b>29.12</b>	<b>23.64</b>

Source: Dept of Commerce

