

# Engineering exports contract marginally to \$10 b in May on rising geopolitical tensions

**Our Bureau**  
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India's engineering goods exports contracted by a marginal 0.82 per cent (year-on-year) in May to \$9.89 billion due to geopolitical tensions in West Asia and a higher statistical base, according to an analysis by industry body EEPC India.

Country-wise analysis showed a substantial decline in engineering exports to the UAE and Saudi Arabia in May, the report noted.

"While India's engineering exports to the US and the EU grew, a significant decline was noted in the case of the UAE, Saudi Arabia, and Turkey, which are significant markets for India and feature prominently in India's top 25 destinations. The decline



**POOR SHOW.** Country-wise analysis showed a substantial decline in engineering exports to the UAE and Saudi Arabia

can be explained by the growing geopolitical tensions in the area and the rising threat to logistics," said Pankaj Chadha, Chairman, EEPC India.

## **STIFF COMPETITION**

Export of aluminium and its

products were hit due to increased competition in the ASEAN region, and there was also a decline in exports of metals such as zinc, lead, and aircraft, spacecraft and parts, he added.

Among the major product groups, exports of 'aircraft,

spacecraft and parts' fell by 85 per cent, and that of 'ships, boats and floating structures' dropped by 25 per cent (year-on-year) in May.

India's engineering exports to the US, the top destination among major exporting countries, remained positive in May 2025, with shipments growing 4.6 per cent to \$1.74 billion. Other countries where engineering goods exports increased in May 2025 include Germany, the UK, Japan, Italy, Nepal, Brazil, South Africa, and the Netherlands.

Engineering shipments to China posted a 5.1 per cent decline to \$207.36 million in May 2025. Other key markets that witnessed a decline in exports include Mexico, Turkey, and Vietnam registered negative growth.