

# Iran stops buying Indian tea and basmati



Iran has completely stopped signing new contracts for importing tea and basmati rice from India from last week. While there is no clarification from Iranian buyers about the reason for this sudden stoppage, Indian exporters believe this is largely because shops, hotels and markets in the West Asian country remain closed amid strong anti-hijab movement across the country.

A section of the trade believes Iranian importers could be delaying purchases as New Delhi and Tehran are working out a rupee trade settlement agreement.

The development will have an impact on exports of these commodities, particularly tea, as Iran imports around 30-35 million kg of orthodox tea and about 1.5 million kg basmati rice from India in a year, exporters said.

While tea exports to Iran had slowed down earlier, buyers from there “stopped registering new contracts from last week”, said Anish Bhansali, managing partner of Bhansali & Company, a leading tea exporter to Iran. “There is no clarity on why suddenly this has happened. We have asked the Iranian buyers but they do not have any clear answer,” he said. “We have informed the Tea Board and we are waiting for some clarity.”

While basmati exporters, too, are facing the same problem, the impact would be less as basmati exports have risen on high demand and rise in prices of commodities globally since the Russia-Ukraine war.

Source - [https://economictimes.indiatimes.com/news/economy/foreign-trade/iran-stops-buying-indian-tea-and-basmati/articleshow/95985675.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/foreign-trade/iran-stops-buying-indian-tea-and-basmati/articleshow/95985675.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

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