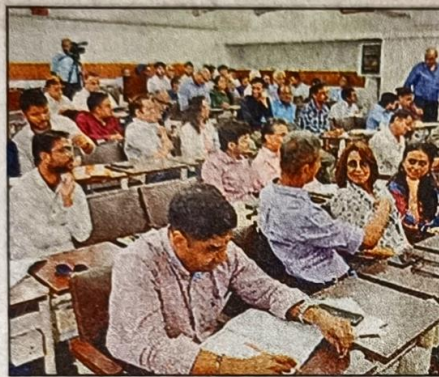


# Physical tea auction returns to Kol after 12 yrs

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**Kolkata:** The ‘manual outcry’ tea auction returned to Kolkata on Friday, 12 years after cries of bidders and the sound of gavels fell silent in the city’s tea-trading hub to make way for the sleek but silent e-auction.

The Association of Tea Auctioneers (ATA) — an umbrella body formed to safeguard the interests of tea auctioneers — organised the physical auction to mark the launch of the association and to explore an alternative model of tea selling that involves the human touch. The history of physical tea auction is over 150 years old but the last one was



Biplab Bhattacharjee

Bidders and auctioneers interact at the physical tea auction on Friday

held in the city in 2011.

The ATA has 13 members, including leading auctioneers like J Thomas, Parcon, Contemporary and Assam Tea Brokers, among others.

“It was a great feeling. I conducted a physical tea auction after so many years and

could see the excitement on the faces of the buyers. This excitement is missing in online auctions,” said Gourav Ghosh, who conducted the auction for ATA.

Sujit Patra, secretary of ATA, said there were repeated requests from buyers to hold

physical auctions. Over 30 participated, putting in bids for 795 lots. Around 3.7 lakh kg of tea in 14,343 packages was put up for action, he said.

“Buyers took their seats in the hall where they last sat in 2011. It was a very nostalgic moment. The auction saw good prices and contests for all lots. Price discovery (a process that determines market prices, mostly through interactions between buyers and sellers) appeared to be better than in online auctions. Tea Board representatives also witnessed the cheerful interaction between the buyers and auctioneers,” Patra said.

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# 'Price discovery better in manual tea auctions'

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**A**round 40% of tea produced in India is sold through the auction route. Auctioneers play a major role by attracting sellers and producers, drawing samples from warehouses, distributing these to registered buyers and making provisional valuation of teas.

Subir Das, MD of Parcon India, said auctions were very much needed for the tea industry, adding that "price discovery is better in manual auctions". Anshuman Kanoria, chairman of the Indian Tea Exporters Association, said most producers now preferred 'private sales' over auction. "Producers are now avoiding online auctions. Today's initiative is to try and look for a solution. It is a kind of private sale in a manual auction mode. It is a welcome initiative," he said. S B Shah, chairman of leading tea exporter Shah Brothers, also said they preferred manual auction over e-auction for better price discovery and quick shipment.