

Indian tea auction prices rise 44% till May

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Using tea as immunity booster helped the rally.

Till May, prices of teas in the Indian auctions rose by a whopping 43.69 per cent over Jan-May 2020.

This happened because of the average prices rising to ₹166.94 a kg from ₹116.18 in Jan-May 2020, reveals our analysis of the latest data available with the Tea Board.

In other words, every kg of tea sold so far this year has fetched, on an average, ₹50.76 more than in Jan- May 2020.

The increase was more in North Indian auctions than in the South.

In the North, average prices rose to ₹180.72 a kg from ₹123.20 in Jan-May 2020, marking a gain of ₹57.52 per kg or 46.69 per cent. The average price in the South Indian auctions rose to ₹138.08 a kg from ₹98.06, posting an increase of ₹40.02 per kg or 40.81 per cent.

Last year, many auctions could not be held due to the lockdown in the nation's fight against Covid-19 pandemic but this year, the disruption so far had been minimal.

Traders said that prices rose because of increased demand arising from a general belief that tea helps to build immunity especially during the ongoing pandemic.

Besides, teas were bought for use in the value-added immunity boosting products including turmeric, ginger, Ashwagandha, tulsi and other herbal teas.

The purchases by Government buyer wings for inclusion in the Covid relief packages as also ration shops in different states also helped prices to rise.

Another factor for the price rally was the exporters lending strong support to select grades in the different auctions.

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