

## **Coonoor tea auction prices dip to new low**

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Low prices push up sales to over 88%

The falling trend in prices continued at Sale No: 25 of the auctions of Coonoor Tea Trade Association when the average price crashed to a new low ₹95.51 a kg.

This was not only the lowest price among all the auctions held so far in the current calendar but the lowest since May 15, 2020 when the average price was ₹93.93 a kg.

From June 12 of 2020, at every auction, the average price ruled above ₹100 a kg mostly because of the increased demand arising from the widespread belief that tea helps to build immunity in the backdrop of Covid-19 spreading like wildfire across the globe.

At this week's auctions, 88.08 per cent of the offer was sold helped by the price crash.

The volume sold rose to 23.37 lakh kg from 20.41 lakh kg in the previous auction with the average price dropping to ₹95.51 a kg from ₹98.75. The higher volume helped the overall earnings to rise to ₹22.32 crore from ₹20.15 crore – an increase of ₹2.17 crore or 10.77 per cent in just one week.

Two grades of tea from the small-scale bought leaf tea factory Homedale Tea Factory topped the entire auction beating the prices from even corporates. Its Pekoe Dust grade, auctioned by Global Tea Brokers, topped the auctions when Tea Services India Pvt Ltd., bought it for ₹305 a kg.

Homedale Estate's Broken Orange Pekoe grade, auctioned by Global Tea Brokers followed it and topped the CTC Leaf fetching ₹301 a kg.

No other tea could cross ₹300/kg mark.

Among other CTC teas, Pinewood Estate got ₹215, Bellatti Estate and Hittakkal Estate ₹206 each and Vigneshwar Estate ₹204.

Among orthodox teas, Chamraj got ₹280 a kg, Kodanad ₹265, Glendale ₹ 245, Nonsuch Orthodox ₹215, Kil Kotagiri ₹214, Devashola ₹212, Havukal ₹205 and Kairbetta ₹204.

Buyers said that they were facing a fund crunch with payments pending in the wake of trade restrictions in many States and countries due to various stages of lockdown and hence were unable to invest in high-priced teas.

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