

Kerala planters worried over drop in Kochi tea sale price

V Sajeew Kumar | Updated on July 09, 2021

Urge State govt to hike buy through Supplyco

Kerala planters are seeking the support of the State government to tide over the crisis arising out of a decline in tea prices at the Kochi auctions.

The Association of Planters of Kerala has urged the Pinarayi Vijayan government to issue necessary instructions to Kerala co-operative Supplyco to raise its procurement from the Kochi tea auctions.

Purchases made by the State agency, one of the major buyers at the auctions, declined in the last two months. If the government entity procures more quantities from the auctions, it will generate a good demand and automatically, prices will increase, said Ajith BK, secretary, APK.

Government support

The growers feel that the government should support the plantations by way of increased procurement of Kerala origin teas to support the sector which pays the highest wages to workers, he said.

Ajith pointed out that the auction prices have declined over the last two months. The average price realised at Kochi July 2 sale was ₹131/kg (sale 26) for dust grades and ₹156 for leaf varieties. The prices crash has resulted in severe financial crisis to the tea plantations. Growers apprehend that there is a concerted effort by tea marketing companies to suppress the prices in the domestic market, he said.

APK is also worried over the exponential increase in tea imports that witnessed a 139 per cent rise vis-a-vis previous year. The planters' body also demanded that the Centre should take necessary steps to control imports.

Meanwhile, the average price realisation in sale 27 dropped ₹6 per kg to ₹118 with a subdued demand from upcountry buyers and loose tea traders. The quantity offered in CTC dust was 10,52,800 kg and 34 per cent was unsold. The trade witnessed heavy withdrawals due to low bid or lack of bid.

The market for leaf sales was also lower by ₹5 to ₹10, registering a drop in average price realisation at ₹158 against ₹166 in the previous week.

Published on July 09, 2021

<https://www.thehindubusinessline.com/economy/agri-business/kerala-planters-worried-over-drop-in-kochi-tea-sale-price/article35229626.ece>