

H1 tea auction earnings rose ₹190 cr or 89%

Updated on July 09, 2021

Every kg fetched ₹30 more than last year

The earnings from the auctions of the Coonoor Tea Trade Association rose by a whopping 88.93 per cent in the first half (H1) of current calendar over H1 of 2020, thanks to increased demand from upcountry buyers as also exporters.

More importantly, the lockdown caused only minor disturbance to the conduct of the auctions this year but last year, several auctions were cancelled.

The domestic and export demand so far this calendar was significantly high due to the widespread belief that tea helps to build immunity in the context of the Covid-19 pandemic.

Besides, tea supply from North India was low because of winter closure of plantations, floods in some plantation pockets and the drought-like weather hitting harvest volume in many regions. Collectively, upcountry buyers purchased more tea from Coonoor auctions and exporters also gave selective support.

This demand pushed up the average price to ₹120.31 a kg from ₹90.78 in Jan-June 2020.

Nevertheless, the volume sold rose to 3.35 crore kg from 2.35 crore kg in Jan-June 2020.

With one crore kg more tea being sold at ₹29.53 a kg more average price, the overall earnings rose to ₹403.04 crore from ₹213.33 crore,

reveals our analysis of the Market Reports. This massive increase of ₹189.71 crore marked a growth of a whopping 88.93 per cent.

If this trend were to continue in the second half, the overall earnings this calendar would be as much as ₹380 crore more than 2020, traders opine.

Published on July 09, 2021

<https://www.thehindubusinessline.com/economy/agri-business/h1-tea-auction-earnings-rose-190-cr-or-89/article35237796.ece>