

Prices crash to 16-month low at coonoor tea auction

PS Sundar | Updated on July 26, 2021

Earnings drop ₹1 crore in just one week

Tea prices crashed to an average of ₹91.60 a kg at Sale No: 29 of the auctions of Coonoor Tea Trade Association. This was the lowest of not only all the auctions held so far this calendar but since March 20, 2020, when the average price was ₹82.32 a kg.

This is due to inadequate demand from both the domestic buyers and exporters.

Traders said that business was affected due to torrential rains forcing traders to keep their doors shut in many States including Maharashtra, Delhi, Telangana, Punjab, Tamil Nadu, Kerala and Karnataka.

Exporters said that heavy rains in many countries in Europe, China and the US led to less orders from importers.

With fewer orders, producers could push up sales only by sacrificing prices. “The green tea from Pascoes Woodlands topped the entire auctions when Radhika traders bought it for ₹300 a kg – the only tea to touch ₹300/kg mark this week”, Ravichandran Broos, General Manager, Paramount Tea Marketing, told *BusinessLine*.

Among orthodox teas, Glendale got ₹240 a kg, Kodanad ₹238, Kil Kotagiri ₹202 and Brookelands Gold, Nonsuch Orthodox and Siruvani ₹201 each.

Among CTC teas, Homedale Red Dust grade, auctioned by Global Tea Brokers, topped when Nishanthi Traders bought it for ₹296 a kg.

Homedale Estate's Broken Orange Pekoe grade, auctioned by Global Tea Brokers, topped the Leaf tea auctions at ₹ 270 a kg.

Crosshill Estate premium got ₹ 225 and Vigneshwar Estate ₹ 201.

Overall, about 85 per cent of the offer was sold but because of the lower price, the overall earnings dropped by one crore in just a week.

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