

## **Kochi tea auction centre conducts trial of Japanese auction model**

V Sajeew Kumar | Updated on August 07, 2021

Kochi

### **The test run was intended to get feedback from the auctioneers before introducing it fully pan India**

The pilot test of the Japanese auction model was conducted at Kochi tea auctions this week following a directive from the Tea Board.

The new auction module was prepared based on the study conducted by Prof Mahadevan at Indian Institute of Management, Bengaluru, to improve the current auction system with the objective of achieving a better price realisation and improving the participation of buyers.

The intention of the test run was to get feedback from the auctioneers before introducing it fully pan India, official sources said.

Because of the introduction of the new auction system, both dust and leaf sale was rescheduled to Thursday and Friday.

In sale 31, good liquoring teas with black appearance were steady to firm and dearer.

The quantity offered was 9,76,790 kg and the average price realization was up by ₹3 per kg at ₹122. Loose tea traders and upcountry buyers lent only a fair support, while there was a subdued demand from Kerala State Civil Supplies Corporation.

In orthodox dust, the primary grades barely remained steady, while the rest was lower. The quantity offered was 14,500 kg and only 61 per cent was sold, the auctioneers Forbes, Ewart & Figgis said.

However, leaf variety prices witnessed a drop due to the offering of lower quantities in high-priced teas and more quantity sale in the low-priced tea categories. The price drop was nearly ₹21 per kg at ₹136 in orthodox leaf. A fair demand was forthcoming from exporters to CIS and West Asian destinations, while indifferently manufactured teas were neglected. The quantity offered was 2,62,813 kg.

In CTC leaf, the market for broken and Fannigns was lower by ₹3 to ₹5 and fair quantity was outlisted. The decline in price was more for high-priced teas than medium and plainer teas. The quantity offered was 66,000 kg.

Published on August 07, 2021