

IMPACT OF GRADES MIX ON AVERAGE PRICE OF THE BLACK TEA MANUFACTURERS IN UVA REGION OF SRI LANKA

A dissertation submitted to the
Faculty of Animal Science and Export Agriculture of
Uva Wellassa University
in partial fulfillment of the requirements for the award of the degree of
Bachelor of Science in Tea Technology and Value Addition

By
PUBUDU LAKMAL MEGODAWICKRAMA

**Faculty of Animal Science and Export Agriculture
Uva Wellassa University**

2013

ABSTRACT

Average prices of the black Tea manufacturers in Uva region of Sri Lanka demonstrate a significant variation irrespective of the elevation average and the national average relevant to the particular period. Tea productions of the manufacturers are also varying in terms of total tea quantity, types of tea grades and grades percentages. Therefore the study analyzed the impact of grades mix on average price of the black tea manufacturers in Uva Region in Sri Lanka. The study was conducted separately for Uva High elevation and Uva Medium elevation. Stratified random sampling technique was used to select twenty factories from each two elevations of Uva region as the samples of the research and secondary data were collected using structured data collection form. The Average price was initially analyzed with six independent variables such as total quantity, main grade percentage, number of main grades, number of Off grades, season and elevation average. Descriptive statistics, regression models and one way ANOVA with Tukey's comparison were used to find out the factors affecting for the variation of average price. The results indicate that the average price of Uva high elevation is not significantly vary with the total quantity and Quality season while main grade percentage, number of main grades, number of Off grades and elevation average are significant determinants of average price. Total quantity and number of Off grades negatively affect the average price of the manufacturers in Uva high elevation and main grades percentage, number of main grades, quality season and elevation average are positively influence for the average price. In Uva medium elevation total quantity, main grades percentage, number of main grades and elevation average positively affect the average price while number of Off grades and quality season affect negatively.

Key words – Average Price, Black Tea Manufacturers, Uva High and Uva Medium, Grade Percentage, Elevation Average