

Price Assessment of Doma in the Thimphu Market

Prepared by: Tshewang Penjor

Dy. Chief Trade Officer, Consumer Protection & Competition Enhancement Division, CCAA

1. Introduction

The Competition and Consumer Affairs Authority (CCAA) has been monitoring source, wholesale, and retail prices of doma¹ in response to public concerns that prices had risen significantly as a consequence of recent tax reforms. To assess the validity of these concerns and to establish a current price baseline, systematic field surveys were conducted across Thimphu Thromde on May 15, 2026. The survey covered 11 licensed doma wholesalers and 18 retail outlets. The resulting dataset is compared against April 2026 data to examine price movements across three tiers of the supply chain — source (ex-Jaigaon, India), wholesale, and retail — for the period April to May 15, 2026.

1.1 Definition of Doma

In Dzongkha, the term doma refers specifically to the areca nut. However, in common usage, it also denotes a ready-to-chew preparation comprising areca nut, betel leaf and lime. For the purposes of source- and wholesale-level price reporting in this assessment, doma refers exclusively to the areca nut. At the retail level, doma refers to the complete preparation, differentiated by the variety of betel leaf used — either Bangla patta or Mitta patta.

2. Results and Analysis

2.1 Source-Level Price Movements

Source prices, recorded ex-Jaigaon (India), declined across all three commodities between April 2026 and May 15, 2026, indicating a broad-based downward trend at the origin of the supply chain. Mitta patta (100 pieces) registered the steepest decline at 30.35%, followed by Bangla patta (100 pieces) at 24.94%, while Doma (1 Pon or 80 pieces) recorded the smallest decrease at 20.33%. Notably, the variety of areca nut available during the April survey was *Muza* — a grade preferred by consumers and commanding a higher price — whereas the variety currently in supply is *Kangza*, a lower-grade variety. This varietal difference may partially account for the observed price decline at the source level. Across the three commodities, the average source-level price decrease stands at approximately 25.21%.

Table 1: Source-level price changes, April–May 15, 2026 (Ex-Jaigaon, in Ngultrum)

Sl. No.	Commodity	April 2026 (Nu.)	May 15, 2026 (Nu.)	Change (%)
1	Doma — 1 Pon (80 pieces)	480.36	382.70	-20.33%
2	Bangla patta — 100 pieces	250.45	188.00	-24.94%
3	Mitta patta — 100 pieces	373.30	260.00	-30.35%

2.2 Wholesale-Level Price Movements

Wholesale prices within Thimphu Thromde followed a similar downward trajectory over the same reference period. Mitta patta (100 pieces) recorded the most significant decline at 24.64%, followed by Doma (1 Pon) at 18.26%, and Bangla patta (100 pieces) at 17.83%. The consistent softening of wholesale prices across all three commodities suggests that upstream cost reductions at the source level are being partially, though not fully, transmitted to the wholesale tier of the supply chain.

Table 2: Wholesale price changes, April–May 15, 2026 (Thimphu Thromde, in Ngultrum)

Sl. No.	Commodity	April 2026 (Nu.)	May 15, 2026 (Nu.)	Change (%)
1	Doma — 1 Pon	562.73	460.00	–18.26%
2	Bangla patta — 100 pieces	300.91	247.27	–17.83%
3	Mitta patta — 100 pieces	426.41	321.36	–24.64%

2.3 Retail-Level Price Movements

Retail prices represent the consumer-level price of a ready-to-chew doma packet comprising areca nut, betel leaf, and lime. Both commodity variants experienced modest declines over the reference period. Doma with Bangla pan (per piece) fell by 4.38%, from Nu. 7.31 to Nu. 6.99, while doma with Mitta pan (per piece) declined by 3.59%, from Nu. 8.63 to Nu. 8.32. Although the direction of price movement is consistent with upstream trends, the magnitude of the decline at the retail level is markedly lower, indicating limited pass-through of upstream cost reductions to end consumers.

Table 3: Retail price changes, April–May 15, 2026 (Thimphu Thromde, in Ngultrum)

Sl. No.	Commodity	April 2026 (Nu.)	May 15, 2026 (Nu.)	Change (%)
1	Doma with Bangla pan (per piece)	7.31	6.99	–4.38%
2	Doma with Mitta pan (per piece)	8.63	8.32	–3.59%

3. Key Findings

All three commodities — areca nut, Bangla patta, and Mitta patta — recorded significant price reductions between April and May 15, 2026. Source-level prices declined by an average of 25.21%, with Mitta patta registering the steepest drops at both source (–30.35%) and wholesale (–24.64%) levels.

The magnitude of price declines is not uniformly transmitted across the supply chain tiers. While source prices fell by approximately 20–30% and wholesale prices declined by 18–25%, retail prices decreased by only 3.59% to 4.38%. This disparity points to significant margin absorption at the retail level or a lag in retail price adjustment relative to upstream cost reductions.

The sluggish response of retail prices to upstream cost movements suggests the presence of market inefficiencies, information asymmetries, or the exercise of retailer pricing power within Thimphu Thromde.

The limited pass-through undermines consumer welfare, particularly where doma constitutes a regular consumption item.

4. Recommendations

The CCAA should undertake an investigation to ascertain why retail prices are not reflecting upstream cost reductions of the magnitude observed at the source and wholesale levels.

The CCAA should implement a structured, periodic price monitoring mechanism with timely public reporting. Transparent disclosure of source and wholesale price data will help create market pressure for faster and more proportionate retail price adjustments, benefiting consumers.

The CCAA should intensify its consumer education and information dissemination efforts, ensuring that prevailing source, wholesale, and retail prices of doma and related commodities are widely communicated. Access to comparative price information will empower consumers to make informed purchasing decisions and exert competitive pressure on retailers.