

GRAINY PICTURE

Several questions arise from the recent trend of wheat prices

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New Delhi, 28 January

A few weeks back, wheat prices in Delhi's markets soared to ₹3,360 a quintal. The jump came despite the Centre pumping in large quantities of wheat through the open market sale scheme (OMSS) of the Food Corporation of India. The government recently said it was keeping a close watch on wheat prices while world markets were seen to be under pressure due to an oversupply.

In 2023-24 (FY24), the government pumped in 10 million tonnes of wheat from its inventories to cool prices. However, in November last year, only around 2.5 million tonnes was allocated for open sales, of which 900,000 tonnes have already been pumped into the market and 860,000 tonnes have been lifted at auctions, so far showing only a limited impact on prices. Trade sources say that since the first tender for open sales issued in November to the last one issued a few days back, wheat prices in the open markets have risen by ₹150 a quintal in the Delhi market.

"The prices, instead of coming down, have risen," said a large trader based in Delhi. The primary reason for the rise is that the market is hungry for wheat and there are low pipeline stocks with

flour millers and biscuit-makers. "There is a lot of speculative activity, too, going on in the wheat markets, keeping prices high," he said.

Talk of speculative activity has gained ground because official estimates put wheat production in the 2023-24 crop, which ended in July, at an all-time high of 113.29 million tonnes, up 2.47 per cent from the previous year. Wheat stocks in state warehouses totalled 18.41 million tonnes at the start of this month — it was 16.35 million tonnes in January last year.

The Centre fixed a reserve price for wheat under OMSS at ₹2,325 a quintal for 'fair and average quality grain' and ₹2,300 per quintal for 'under reduced specifications grain'. However, traders say the prices fetched at the auctions are much higher than the reserve price, reflecting unsatisfied demand.

"The declared stocks show that the downstream industry is well stocked. Therefore, the whole price spike is mostly sentimental, in my understanding," said a leading wheat trader.

Weather question

The sudden and sharp spike in day temperatures in many parts of North India has added another dimension to wheat markets. Any unusual rise in temperature is not good for the standing wheat crop.



IN CENTRAL POOL

(Grain stock in million tonnes)

Crops	Buffer norms*	Jan 1, 2024	Jan 1, 2025
Rice	7.61	18.17	29.09
Wheat	13.8	16.35	18.41
Total	21.41	34.52	47.5
Unmilled Paddy**		33.46	31.9
Grand Total		67.98	79.4

*As on January 1 each year, **Unmilled Paddy converted into rice assuming a conversion ratio of 67 per cent. Source: Traders and Market Players

However, scientists say so far night-time temperatures are within the normal range, keeping the total average temperature during a full day (24 hours) around 15-16 degrees Celsius, which is ideal for the wheat crop. "So far, the average tempera-

ture in 24 hours is around 15-16 degree Celsius even in states such as Madhya Pradesh, mainly due to the fact that the nights are cooler. Therefore, there is no reason for undue panic, the situation will change if nights start getting warmer," said a senior scientist

from the Indian Institute of Wheat and Barley Research. Till yesterday wheat crop has been sown in around 32.43 million hectares which is 2.75 per cent more than the area covered last year and 3.84 per cent more than the normal acreage.

Subsidy question

The Centre's finances in procurement and storage of wheat are getting stretched due to free distribution of the same wheat and rice to 800 million people under the extended Pradhan Mantri Gareeb Kalyan Ann Yojana, which will continue till FY29.

The latest data from the Comptroller and Auditor General of India shows that till November 2024, India had spent 74 per cent of its FY25 Budget Estimates (BE) of food subsidy pegged at ₹205,250.01 crore, which during

the same period of last fiscal was 58 per cent of the BE. Assuming that the same pace of spending is maintained in the remaining months of FY25, food subsidy could overshoot its BE. A recent Reuters report said India could peg the food subsidy bill in FY26 at just 5 per cent more than the BE of FY25.

Rice question

Rice plays a bigger role than wheat in the subsidy dynamics. As on January 1 this year, food grain stocks, including unmilled paddy lying with millers, are estimated at 79.4 million tonnes. Of this, rice is 29.09 million tonnes and another 31.90 million tonnes of it is with the millers.

A year ago, total stocks were 67.98 million tonnes, of which rice was 18.17 million tonnes with another 33.46 million tonnes with millers. The figures assume that 67 per cent of the unmilled paddy with the millers is converted into rice.

In contrast, wheat stocks in the Central pool as on January 1 this year stood at 18.41 million tonnes, marginally higher than the 16.35 million tonnes a year ago. Buffer stocking norms for rice as on January 1 each year are 7.61 million tonnes and 13.8 million tonnes for wheat.

So, as on January 1 this year, India was holding higher food grain stocks that could also be at a greater cost to the exchequer. The Budgeted economic cost of rice in FY25 is ₹39.75 per kg, while that of wheat is ₹27.74.

Against this, the total earning from sale of food grains through the public distribution system (PDS) is zero as the grains are given free.

PDS question

It is not that the Centre used to earn huge amounts from sale of grains through PDS as the issue price, which is the rate at which grains are sold, was for wheat had remained unchanged at ₹2 a kg, for rice at ₹3 a kg, and for coarse grains at ₹1 a kg. That said, the amount earned was not zero.

Some experts say an option could be to raise the Central Issue Price for some segments of the beneficiaries or restrict the expansion of the beneficiaries to those who truly need it. The funds thus saved could be used to expand the PDS basket to include more nutritious grains such as pulses and millets. They buttress their argument by citing that poverty in India has declined.

According to the State Bank of India (SBI), the country's poverty rate in 2022-23 was 4.5-5 per cent. Rural poverty was 7.2 per cent, down from 25.7 per cent in 2011-12. Urban poverty dropped by 4.6 per cent from a decade

ago. The SBI report said the decline was due to government programmes and increased spending.

The new poverty line for rural areas is ₹1,622 and ₹1,929 for urban areas.

However, a World Bank report from October 2024 says 129 million Indians live in extreme poverty, earning less than \$2.15 per day. The World Bank's poverty threshold is \$6.85 a day.

NIITI Aayog, the government's think tank, says India's multidimensional poverty declined from 29.17 per cent in 2013-14 to 11.28 per cent in 2022-23, and that 250 million people had moved out of poverty between 2013-14 and 2022-23.

Trade sources say that since the first tender for open sales issued in Nov to the last one issued a few days back, wheat prices in the open markets have risen by ₹150 a quintal in most markets

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Extract of Standalone and Consolidated Unaudited Financial Results for the Quarter and Nine Months ended 31st December 2024

Rs.in Crores (except EPS)

Sl. No.	PARTICULARS	STANDALONE					CONSOLIDATED				
		Quarter Ended		Nine Months' Ended		Year Ended	Quarter Ended		Nine Months' Ended		Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
1	Net Sales/Income from Operations (Net of Discounts)	666.75	686.60	1,926.52	1,920.30	2,500.74	727.23	738.40	2,065.22	2,055.49	2,678.05
2	Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items)	71.75	84.86	211.49	236.46	318.18	75.19	82.89	200.62	226.65	301.17
3	Net Profit / (Loss) for the period before tax (after Exceptional and / or Extraordinary items)	71.75	84.86	211.49	236.46	318.18	75.19	82.89	200.62	226.65	301.17
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	54.29	63.04	158.74	175.68	238.81	57.35	61.56	150.40	167.91	225.33
5	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax))	54.07	62.09	157.04	172.72	234.90	45.77	70.24	153.26	173.92	228.90
6	Equity Share Capital (Face Value Re. 1/- per share)	13.69	13.86	13.69	13.86	13.86	13.69	13.86	13.69	13.86	13.86
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet					2,042.63					2,071.61
8	"Earnings Per Share (of Re.1/- each) - Rs. Ps. (for continuing operations) Basic & Diluted (Not Annualised)"										
	Basic Earnings Per Share	3.96	4.55	11.51	12.67	17.23	4.27	4.51	11.10	12.25	16.48
	Diluted Earnings Per Share	3.96	4.55	11.51	12.67	17.23	4.27	4.51	11.10	12.25	16.48

Notes:
The above is an extract of the detailed format of Financial Results for the Quarter and Nine Months' ended 31st December 2024 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The full format of the Financial Results are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and the Company's website viz. www.ttkprestige.com

Date: 28th January, 2025
Place: Bengaluru

Scan this QR code to download the Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2024

On behalf of the Board
T.T. Jagannathan
Chairman

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PUBLIC NOTICE

Public Notice for Compulsory Delisting of Equity Shares of Companies in terms of Regulation 32(5)(a) of SEBI (Delisting of Equity Shares) Regulations, 2021

Notice is now given that the equity shares of the following company were delisted w.e.f. **November 11, 2024**, in terms of Regulation 32(5)(a) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ("Delisting Regulations"), Section 21A of Securities Contract (Regulation) Act, 1956, Securities Contract (Regulations) Rules, 1957 and Bye-Laws and Regulations of National Stock Exchange of India Limited ("Exchange").

Company Compulsorily Delisted due to Non-compliances:

Name and Registered office address of the Companies*	Fair value (Rs. per share)	Name of the Promoters	Address of the Promoters *
Jindal Cotex Limited	(23.26)/-	Sandeep Jindal	No - 980, 2A Deep Nagar Ward, No 70 Ludhiana, Punjab - 141001, India.
Village Mandiala Kailan Tehsil Khanna District Ludhiana - 141412		Rajinder Kumar Jindal	House no.29-D, Sarabha Nagar, Ludhiana, Punjab - 141001, India
		Ramesh Kumar Jindal	Jindal Fine Industries, GF- 9 Ansal Tower, 38 Nehru Place, Delhi -110019, India. And H.No. D-40, Greater Kailash-II, New Delhi -110048, India.
		Yash Paul Jindal	H.No. B-1 - 980 / 2A Opp police Lines Civil Lines, Ludhiana, Punjab -141001, India

* Address available as per the records of the Exchange.

Notes:
As per SEBI (Delisting of Equity Shares) Regulations, 2021, the consequences of compulsory delisting include the following:

a. In terms of Regulation 34(1) of the Delisting Regulations, the Company, its whole-time directors, person(s) responsible for ensuring compliance with the securities laws, its promoters and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing of any equity shares or act as an intermediary in the securities market for a period of ten (10) years from the date of such delisting.

b. In case of a company whose fair value is positive -

- i. such a company and the depositories shall not effect transfer, by way of sale, pledge, etc., of any of the equity shares held by the promoters / promoter group and the corporate benefits like dividend, rights, bonus shares, split, etc. shall be frozen for all the equity shares held by the promoters/ promoter group, till the promoters of such company provide an exit option to the public shareholders in compliance with sub-regulation (4) of regulation 33 of these regulations, as certified by the relevant recognized stock exchange;
- ii. the promoters, whole-time directors and person(s) responsible for ensuring compliance with the securities laws, of the compulsorily delisted company shall also not be eligible to become directors of any listed company till the exit option as mentioned in clause (a) is provided.

c. The onus of giving exit to the public shareholders is on the promoters of the company.

d. In terms of Regulation 33(4) of Delisting Regulations, the promoter(s) of the company shall acquire the delisted equity shares from the public shareholders by paying them the value determined by the valuer, within three months of the date of delisting from the recognised stock exchange, subject to the option of the public shareholders to retain their shares.

e. In terms of Regulation 33(5) of Delisting Regulations, the promoter shall be liable to pay interest at the rate of ten percent per annum to all the shareholders, who offer their shares under the compulsory delisting offer, if the price payable in terms of sub-regulation (3) of Regulation 33 is not paid to all the shareholders within the time specified under sub-regulation (4).

Any queries can be addressed to The Delisting Committee, Listing Department, National Stock Exchange of India Limited 'Exchange Plaza., C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. Contact no: +91 22 26598100 (32014), E-mail: vgandhi@nse.co.in, delisting@nse.co.in with cc to dl-insp-enf-delisting@nse.co.in.

The queries should be mandatorily emailed to the above specified email address. Any anonymous queries would not be considered valid.

For and on behalf of National Stock Exchange of India Limited

Place: Mumbai
Date: January 29, 2025