MCX and IamSMEofIndia sign MoU

Mumbai, September 07, 2015. Multi Commodity Exchange of India Ltd (MCX) and Integrated Association of Micro, Small & Medium Enterprises of India (IamSMEofIndia) signed a memorandum of understanding (MoU) aimed at creating awareness among micro, small and medium enterprises (MSMEs) on the benefits of commodity price risk management. This would encourage them to hedge on exchanges and face competition adroitly.

MCX's collaboration with IamSMEofIndia in disseminating in-depth knowledge about the derivatives market and its benefits among MSMEs would lead to their growth and development. Since these small enterprises are the most vulnerable to price volatility, they can effectively manage price risks through hedging by using commodity futures. Moreover, the growth and sustenance of these small enterprises depend largely on a vibrant commodity market given the climate of unpredictability that prevails today.

Mr. P. K. Singhal, Joint Managing Director, MCX said, *"We are very happy to be associated with IamSMEofIndia for this initiative. Given the preponderance of MSMEs in the Indian industry, it is important that these small players are not only educated about the derivatives market but also get access to an efficient and cost-effective hedging platform for price discovery and price risk management. Hedging is very critical for stabilizing the incomes of small enterprises so that these entities remain sustainable and competitive."*

Mr. Rajiv Chawla, Chairman, IamSMEofIndia said, *"This joint educational effort would be a big move in the growth and development of small businesses across India that contribute nearly 8 per cent to the country's GDP. These small businesses are hubs of innovation and entrepreneurship, they provide a varied range of products, but bear the brunt of international commodity price movements. This collaborative endeavour will enable and empower them to effectively manage their risks amidst unprecedented uncertainty."*

About MCX:

Having commenced operations on November 10, 2003, Multi Commodity Exchange of India Limited (MCX) is India's first listed, national-level, electronic, commodity futures exchange with permanent recognition from the Government of India. MCX offers the benefits of fair price discovery and price risk management to the Indian commodity market ecosystem. Various commodities across segments are traded on MCX. These include bullion, energy, metals and agri commodities. The exchange has forged strategic alliances with various international exchanges, as well as Indian and international trade associations. For more information about MCX and its products visit www.mcxindia.com.

About IamSMEofIndia:

IamSMEofIndia is a Not-for-Profit Institution created and run by entrepreneurs to facilitate and promote the growth and development of Small businesses across India through Tried, Tested, Credible, Affordable and Readymade solutions to save time and energy for MSMEs. It is a fast growing Institution with membership across India and Chapters at Faridabad, Ludhiana, Jalandhar, Bhiwadi, Indore, and partnerships and tie-ups with various Institutions. IamSMEofIndia is India's First and Only "GOLD CATEGORY RATED" National Level Association Accredited by NABET (Quality Council of India) 2015. Besides, it has also been awarded as the "MOST RESPONSIBLE" Industry Association at the National-level by Foundation of MSME Clusters 2015 as well as the "Most Outstanding Industry Association" by COSIDICI (Council of State Industrial Development and Finance Corporations of India) in 2013. In July'15 this institution witnessed the launch of IamSMEofBangladesh also in Dhaka.

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