MCX signed MoU with Apex Body of Professionals in Material Management, IIMM - Mumbai

Mumbai, April 20, 2018: Multi Commodity Exchange of India Ltd (MCX) today entered into a Memorandum of Understanding (MoU) with the Indian Institute of Materials Management (IIMM) - Mumbai to jointly undertake educational programmes in price risk management for their common stakeholders. These joint outreach programmes and educational initiatives are aimed at creating awareness among the stakeholders on the risks they face on account of uncertainty and volatility in prices of commodities, which constitute their key inputs or output.

Much on account of global factors, commodity prices have been highly volatile in recent months. Annualized volatility in the prices of commodities like Aluminium, Copper, Zince, Nickel, Lead, Crude Oil, Natural Gas, etc. have been significant and for same exceeded 25 percent during the financial year 2017-18. To the extent most industries in the organized sector have margins much lower than these levels and thus, it is imperative for them to be sensitised and educated about the risk price volatility could bring in and the need and modalities of risk management in order to sustain and grow their enterprises. Towards this end, MCX and IIMM - Mumbai have agreed to leverage their mutual strengths and work together for the mutual benefit of their stakeholders, the commodity market and the broader economy.

The MoU was signed at a special session during *DISHA 2018*, the signature event of IIMM Mumbai held today. More than 200 participants attended the programme.

Speaking on the occasion, **Mr. Mrugank Paranjape, MD & CEO, MCX** said, "It has been our constant endeavour to reach out to a multitude of diverse stakeholder groups exposed to commodity price risks, and thereby, contribute in the cultivation of a culture of commodity price risk management amongst Indian corporate businesses and to prepare them for the mandatory disclosure regime. We are very happy to have the Indian Institute of Materials Management – Mumbai, as our partner in this endeavour. Leveraging the Institute's large membership base, wide-spread presence and multifarious activities, we wish to connect to personnel connected to material management in diverse industries and enable them understand and assimilate risk management as a core business activity."

Mr. Satish Palekar, Chairman, IIMM Mumbai said, "It is a matter of honour for us to be associated with the Multi Commodity Exchange of India Ltd through this MoU. Promotion of efficient materials management in commercial and industrial undertakings being our core objective, we find definitive synergies between our pursuit of attaining organizational efficiency through managing risks and MCX's capabilities in reaching out to our stakeholders with its knowledge in commodity price risks and its management. We hope the MoU opens up opportunities for advancing professional knowledge among material managers across diverse industries so as to update themselves with pertinent skills in risk management within the Material Management function."

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 derivatives exchange. It is also the first exchange to introduce commodity options in India. In the financial year 2017–18, the market share of MCX was 89.58%. 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

the Exchange platform. 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 IIMM – Mumbai

Indian Institute of Materials Management (IIMM) is the Apex Body representing a wide spectrum of professionals engaged in various facets of Materials Management, responsible for planning, sourcing, logistics and supply chain management. The Institute is a chartered member of International Federation of Purchasing and Supply Management (IFPSM), Atlanta (USA) Incorporated in Switzerland, which has its members in over 44 countries.

The Mumbai Branch of IIMM is its largest Branch amongst its 48 Branches and 19 Chapters in the country, with a membership more than 1000 Individual and Corporate Members, Large and Small. The Mumbai Branch is also the largest branch in terms of students enrolment.
For more information about IIMM Mumbai visit www.iimmmumbai.org

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