MCX Signs MoU with IMC to Synergise Efforts on Commodity Derivatives Market Development

Mumbai, June 25, 2018: In a bid to pursue growth initiatives to further the development of commodity derivatives market in India, Multi Commodity Exchange of India Limited (MCX), India's No. 1 Commodity Exchange signed an agreement with IMC Chamber of Commerce and Industry (IMC) today.

There is a need to educate key stakeholders of commodity-exposed companies in the areas of hedging in view of risks associated with commodity prices and their management. Under the aegis of this MoU, the entities will jointly undertake knowledge building and research initiatives on relevant contemporary issues in the commodity derivatives market. The initiative further envisages both institutions to jointly conduct interactive sessions, awareness programmes, conferences and other activities across the country to sensitize a multitude of diverse stakeholder groups including corporates and SMEs about the impact of commodity price risks and to encourage them to adopt appropriate risk management measures.

Speaking on the development, **Mr. Mrugank Paranjape, MD and CEO, MCX** said, "We are pleased to be associated with one of most renowned and reputable industry bodies in India which would enable us to synergize our efforts on commodity derivatives market development. With this MoU, we hope to leverage IMC's wide network of small and medium enterprises and a vast membership base to reach out to the commodity stakeholders across the country, and empower them to get access to an efficient and cost-effective hedging platform to manage their price exposure. Thus, this collaborative endeavour would be a big move in the growth and development of businesses of all scale that contribute significantly to the country's GDP and employment."

Dr. Lalit Kanodia, President, IMC Chamber of Commerce and Industry said, "The MoU between the 111 year old IMC with ready access to a large constituency of over 200,000 business entities and MCX, by far India's largest commodity derivatives exchange, augurs well for the market as both the institutions will be able to work together to deepen and widen the market through awareness and training programs as well as undertake policy advocacy, among other activities. Importantly, IMC is already a SEBI accredited Training Institution".

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 IMC Chamber of Commerce and Industry:

IMC is a 111 year old premier Chamber of trade, commerce and industry in India. Headquartered in Mumbai and with a strong presence in Delhi, the Chamber has about 3000 members comprising a cross section of the business community. With a large membership base including 220 trade and industry associations, IMC is able to reach over 200,000 business establishments. Nearly 700 members (agribusiness, textiles, steel and metals, construction, FMCG etc) have exposure to commodities. Around 50 trade associations are commodity based; and 10 are meant for financial services. IMC undertakes advocacy on a wide range of matters and provides impetus to growth and development of businesses, on policy and implementation matters. It represents the interests of a variety of sectors like banking and financial services, agribusiness, environment, energy, tourism, information technology, education, construction, etc. IMC organizes interactive meetings with ministers, senior bureaucrats, thought leaders, industry captains and others to express and drive home its views.

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