Govt. of Telangana Felicitates Mr. Mrugank Paranjape for his Contribution to the Textile Industry

Mumbai, February 20, 2019: In recognition of his special contribution towards the textile sector in India, Mr. Mrugank Paranjape, Managing Director & CEO, Multi Commodity Exchange of India Ltd. (MCX) was felicitated by Shri Jayesh Ranjan, Principal Secretary of Industry & Commerce, Government of Telangana and Mr. B. K. Goenka, Chairman, Welspun at the 'CEO Conclave 2019'— a two-day event organised at Hyderabad on February 19-20, 2019. The felicitation ceremony was marked by the presence of numerous dignitaries including Mr. Mihir Parekh, Director, Telangana Mega Textile Park; TK Sengupta, President, Textile Association of India; R. K Agarwal, Chairman, Telangana Spinners Association and Suresh A. Kotak, Chairman, Kotak & Co. Ltd. among others.

The two-day event comprising of panel discussions and presentations aimed at charting out a road map for 'Reviving confidence in textiles' through building new capabilities for sustainable and resource efficient growth of the textiles sector.

On being felicitated, **Mr. Mrugank Paranjape, MD & CEO, MCX** said, I'm indeed honoured to receive this recognition by Textile Association of India, however, I believe this award is a direct result of the relentless determination displayed by our workforce while catering to risk management needs of stakeholders in the cotton ecosystem."

"Growth and development of cotton based textile industry has a vital bearing on the overall development of Indian economy. India being one of the fastest growing economies in the world, rising demand by textile sector and hedging needs of physical market players, futures trading in cotton will go a long way by helping the diverse cotton trade and industry stakeholders in managing price risks on their spot and forward transactions. This is crucial for stabilising incomes of corporates, farmers, and the economy at large", Mr. Paranjape added.

Cotton is the basic raw material for the textile industry, which has an overwhelming presence in the economic life of the country. The Indian textile industry is extremely varied, with the hand-spun and hand-woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other.

India being one of the main participants in international cotton trade, the commodity, as well as its user industries, viz. spinners/textiles, are exposed to risks in volatility in cotton prices which arise from both domestic and international factors. If this price risk is not managed, it can quickly get transmitted to the entire value chain of the commodity. Given the annual Indian market size of cotton at Rs. 60,000 crore and an annualized volatility of 16.5% in cotton prices witnessed during 2018, the industry is exposed to a significant level of price risk estimated at more than Rs. 9,900 crore annually. Even if reducing risks may not always improve earnings in the short run, failure to manage risks has direct repercussions on the risk-bearers' long–term incomes, planning and expansion ability and also helps in development of a long term fibre security.

Over the last few years, MCX cotton contract has demonstrated its ability to meet the risk management needs of a wide spectrum of stakeholders in the cotton ecosystem along with transparent discovery of prices.

Amongst MCX's recent initiatives to support thousands of cotton farmers in the Maharashtra state to move up the value chain, the Exchange signed an MoU in June 2018. MCX continues to support cotton farmers by bringing in infrastructure, education, knowledge, market linkages, and credit and

finance arrangements, among others. Also, as a part of 'Cotton Mission', MCX has empanelled three new warehouses for delivery of cotton in Vidarbha region in addition to its existing accredited warehouses in Maharashtra.

About MCX:

Having commenced operations on November 10, 2003, Multi Commodity Exchange of India Limited (MCX) is India's first listed, national-level, electronic 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.

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