



SASMIRA'S BUSINESS SCHOOL

Sasmira Marg, Worli, Mumbai – 400 030

Report on Guest Lecture

Title/ Theme of Event: Guest Lecture on Commodity Derivatives (MCX India Ltd.)

Duration & Date: 1.5 hr & 06/08/2019

Time: Finance: 02.30pm to 04.00pm

Venue: Finance Classroom

Introduction:

Practical approach with theoretical knowledge is the necessity to learn any field. Guest lectures enable the students in enriching the latest updates regarding avenues for higher studies and jobs as well as the need of the industry. To extend learning beyond the classroom teaching, we at SBS invite experts from the industry to conduct guest lectures, seminars and workshops. We invite the eminent personalities of various fields and industry to lend valuable information from their first-hand experience which serves as an ideal platform for the students. Thus, in the era of changing market trends, financial sector is one of the booming sectors around the globe. So with this view a Guest lecture was organized on commodity derivatives for the finance students by MCX India Ltd. as on 6th of August 2019.

Objectives:

- To provide a practical exposure to the students about the Commodities derivatives
- To familiarize students with various financial instruments
- To highlight the benefits of hedging

Programme Schedule:

Programme Schedule of Guest Lecture

Venue: Sasmira, Ground Floor Finance Classroom, Worli, Mumbai, 400030.

Day: Tuesday

Date: 06/08/2019

Time: Finance-02.30pm to 04.00pm

Time/Duration	Details of the Programme
5mins	Welcome Speech & Felicitation
1hr 20mins	Guest Lecture
5mins	Vote of thanks

Guest Speaker/s: Mr. Shrikant Koundinya, VP in Training and Development

Brief Programme Details:

MCX, Multi commodity exchange of India is independent commodity exchange based in India. It is the largest Commodity Derivatives Exchange. MCX is into 4 Commodities mainly Gold, Zine, Crude Oil, cotton and 5th basically is Aluminums as mention and give a clear introduction of the company and about the product of the same, these 5th commodities mainly belong to metal, bullion, agro commodities and energy in this session it was observed that these commodities which is traded as the key commodities.

The speaker enhanced the knowledge on the various financial institutions, types of financial instruments like cash financial instruments and derivatives financial institutions which was further discussed in detail. Mr. Koundinya further explained the characteristics of derivatives instruments. He explained the various instruments like Options, Forward, Future and Swaps which are also the main instrument used to trade in the markets and further explained the relevance on why one should have the knowledge while trading in various markets like Commodity Market, Capital Markets, Currency Market, and Debt Markets etc.

AS TO HIGHLIGHT THE IMPORTANT POINTS:-

1. Money and Debt market is the regulators of RBI.
2. Commodities market is regulated by SEBI.
3. Any change in India and US interest rates affects equity on the commodities while trading .
4. The main difference between gambling and speculation is the "Research" part.

As mentioned by the speaker: -The one who trades or puts money on a product without any research or looking back the history is called as gambling and speculation is exactly opposite.

5. Hedging in short is equal to no profit no loss
6. One should know the benefits of hedging like its
 - Reduce risk and cost
 - Cash management
 - Protect business margins
 - Helps in better future planning
7. Even About the counter party riskits a type of risk.

The above points of the session gave clarity on the derivatives markets. It helped students to know that there is around 76 exchanges all over the world and that trading has become very flexible and easy as one can refer it conveniently online through their laptop, mobile phones etc. in short it is a contract not a product that these 76 exchanges trades in market.

Conclusion:

The lecture proved to be fruitful under the guidance of Mr. Shrikant Koundinya. The speaker gave his valuable insights from the rich experience in the commodity markets about contemporary business issues, the challenges they have faced and how they dealt with them. This lecture definitely served as an ideal platform for the students to supplement their theoretical knowledge with first hand perspectives from the stalwarts of the industry.

Quote:

“Time is the only commodity in life that cannot be bought, sold, borrowed, given out as a gift and it cannot be inherited.” — Sunday Adelaja

Photographs

