

COMMODITY DERIVATIVES AWARENESS PROGRAM

Date of the Event: (DD/MM/YYYY)	21/03/2022	Duration:	3:00 pm to 5:00 pm
Day of the Event:	Monday	Venue:	IMERT (Online Mode)

BRIEF REPORT

An awareness program on commodity derivatives was organized on 21st March, 2022 at 3 pm for the duration of 2 hours. Organized by MM's IMERT under the guidance of SEBI, the program was directed towards the students from College of Agriculture in Hanumanamatti, Dharwad, Karnataka. The aim was to educate students studying agriculture about the importance, features, latest trends and technicalities of commodity derivatives.



भारतीय प्रतिभूती आणि विनिमय बोर्ड (सेबी) यांच्या गुंतवणूकदार संरक्षण आणि शिक्षण निधीचा एक उपक्रम

COMMODITIES DERIVATIVES AWARENESS PROGRAM

ORGANISED BY



An Initiative of Investors Protection & Education Fund of Securities And Exchange Board of India.

Ms. Kavita Jha, the vice president of NCDEX, was the speaker of the session.

The panel also consisted of-

1. Evita Edwards from IAD of OIAE, SEBI.
2. Dr. Chidanand Mansur, Dean & Campus Head, College of Agriculture, Dharwad, Karnataka.
3. Mr. Revansiddhappa Veershetty, Regional Manager, National Fertilizers Limited.
4. Dr. Mangalgouri Patil, Session Organizer, IMERT.

The speaker, guests and participants were introduced by the anchor.



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AY: 2022-23

The speaker initiated the presentation by speaking about the importance of commodity derivatives. Ms. Jha explained that, if we look through a larger lens, commodity market is the foundation for equity market. She rightfully added how the companies listed in equity market need commodities as raw material for the production. She explained the need of exchange – there is insurance for everything but varying prices of commodities and that is why participation in exchange is important if a person wants to be insured against uncertain pricing of the same.

Zoom Meeting

PowerPoint Slide Show - [Agri Commodity Derivatives as an asset class] - PowerPoint

FLOW OF PRESENTATION

- Importance of Commodities Derivatives Markets
- Commodities Markets in India and World
- Main Agri commodity Exchange & Commodities Traded
- Major Participants
- Some important definitions and terminology
- Mechanism of Trading on Exchange Platform
- Role of Trade Facilitator i.e. Broker
- Factors affecting Commodities Trade
- Investor Do's and Don'ts

NCDEX
NCDEX Investor (Client) Protection Fund Trust

Slide 3 of 46

Participant List:

- SEBI HO IAD
- Sumit Gaikwad
- Dr. Mangalgouri Patil
- Gauri Patil
- Revan Sidda
- Kavita Jha

Zoom Meeting

PowerPoint Slide Show - [Agri Commodity Derivatives as an asset class] - PowerPoint

Evolution of Commodity Exchanges- in the world

- 1848**: 1st commodity exchange, Chicago Board of Trade
- 1865**: Futures Contract started trading
- 1898**: Chicago Mercantile Exchange
- 1880-90's**: Electronic trading Started
- 2007**: CBOT and CME merged together under CME group

NCDEX
NCDEX Investor (Client) Protection Fund Trust

Slide 7 of 46

Participant List:

- SEBI HO IAD
- Sumit Gaikwad
- Dr. Mangalgouri Patil
- Gauri Patil
- Kavita Jha
- REVAN SIDDA



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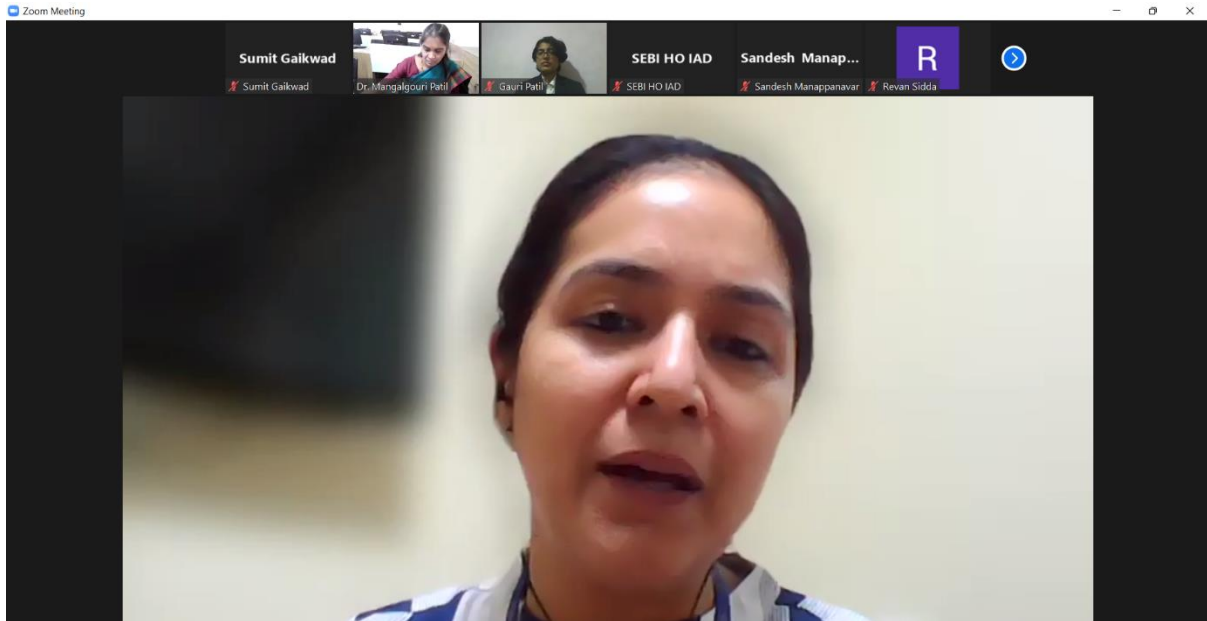


AY: 2022-23

Moving ahead, the evolution and structure of commodity derivatives were discussed. The steps by which an investor can start trading were explained. The speaker emphasized the importance of hedging by adding how *not hedging is also speculation*.

Arbitrage and its type—cash to cash and cash to future—were discussed. Difference in commodity and equity market, commodity derivatives eco-system, stakeholders and their stakes were mentioned. The session was introduced to terms such as staggered delivery, FSP, offset and commodity index.

Delivery logic, price discovery and price risk management were some of the many crucial points in the session.



The types of commodity derivatives- options contract and futures contract- were reviewed. Ms. Jha talked about a very crucial topic—warehousing. The conditions for the verification of the warehouse and the warehouse provider and the process of depositing goods in the warehouse were explained.

The later part of the session consisted the investor's guidelines—the do's and don'ts for the participants. The awareness against dabba trading was stressed upon. The participants were encouraged to ensure that the brokers are trustworthy and contracts are thoroughly studied before involving into any agreement or obligation.

Ms. Kavita Jha tried to have an interactive session despite the restrictions of online mode by interacting and discussing examples and cases with the anchor. She constantly checked if the participants understood the points and tried to give examples so that the content is relatable.

By the end, Ms. Jha asked multiple choice questions to the participants about the content discussed in the session. In case of wrong options being chosen, the speaker explained why the answer was inaccurate and informed the correct answer. The Q&A was open after that. She answered queries of the participants.



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After the questions were answered, Dr. Mangalgouri Patil thanked the speaker and all the other participants by giving the vote of thanks. The session ended by 5 pm.



Dr. Mangalgouri S Patil	Dr Pranav Kayande	Dr. Shubhangee Ramaswamy
Name & Signature of Coordinator	Reviewed / Recommended	Approved by I/C Director

COMMODITY DERIVATIVES AWARENESS PROGRAM

Date of the Event: (DD/MM/YYYY)	30/03/2022	Duration:	12:00 PM to 1:30 PM
Day of the Event:	Wednesday	Venue:	IMERT (Online Mode)

An awareness program on commodity derivatives was organized on 30th March, 2022 at 12 pm for the duration of one and half hour. Organized by MM's IMERT under the guidance of SEBI, the program was directed towards the farmers of Tumkur, Karnataka. The aim was to educate farmers about the importance, features and process of commodity derivatives. The session was mostly in kannada language.



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COMMODITIES DERIVATIVES AWARENESS PROGRAM

Marathwada Mitra Mandal's
Institute of Management Education Research and Training
(IMERT) Pune

On 30 th MARCH 2022

Revanasiddappa Veershetty
Dy. Manager (Mktg.)
National Fertilizer Limited
Karnataka

Dr.Mangalgouri S. Patil
Coordinator
9503096123

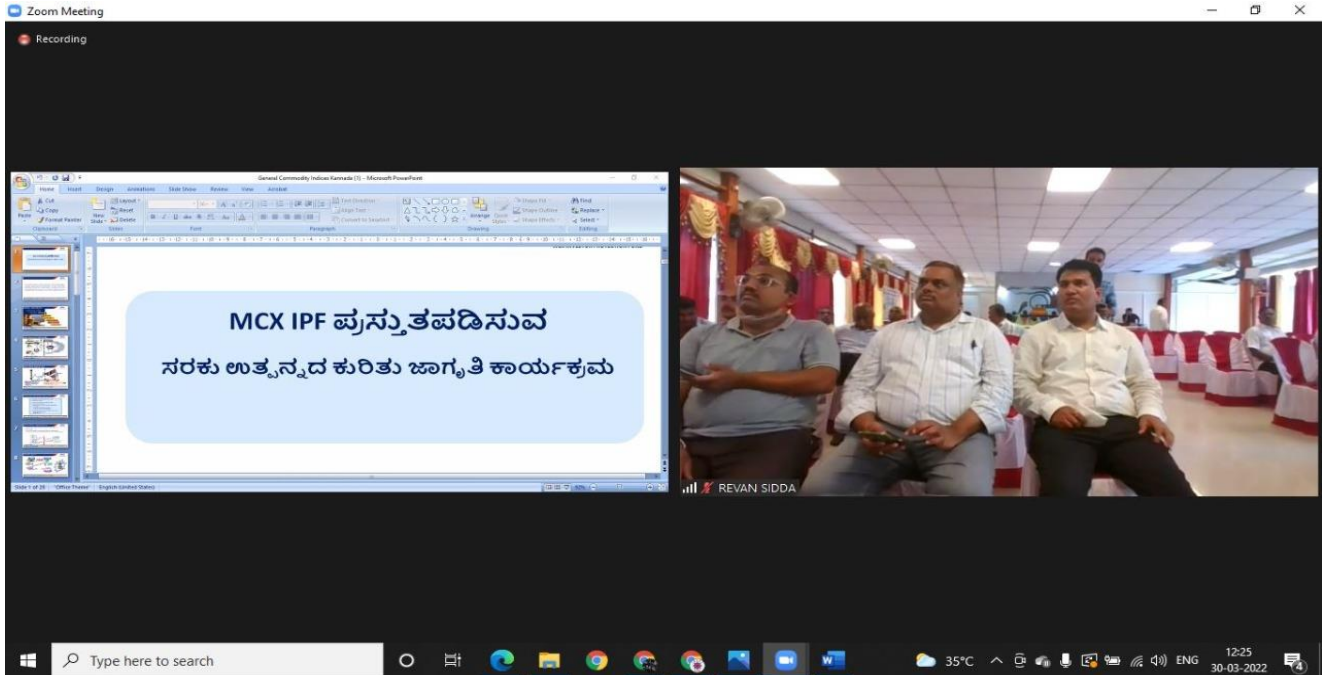
Dr.Shubhangee Ramaswamy
I/C Director

An Initiative of Investors Protection & Education Fund of Securities And Exchange Board of India.



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COMMODITIES DERIVATIVES AWARENESS PROGRAM
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On 30 th MARCH 2022
Revanasiddappa Veershetty
Dy. Manager (Mktg.)
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Dr.Mangalgouri S. Patil
Coordinator
9503096123
Dr.Shubhangee Ram
I/C Director
An Initiative of Investors Protection & Education Fund of Securities And Exchange Board

Anjan Kumar G, Senior Executive (Business Development) of MCX was the speaker of the session. The offline gathering of farmers was coordinated by Mr. Revansiddappa Veershetty.



Zoom Meeting
Recording

MCX IPF प्रस्तुतपडिसुव
सरकु लुत्तन्नद कुरुतु जगुती कार्याक्षम

REVAN SIDDA

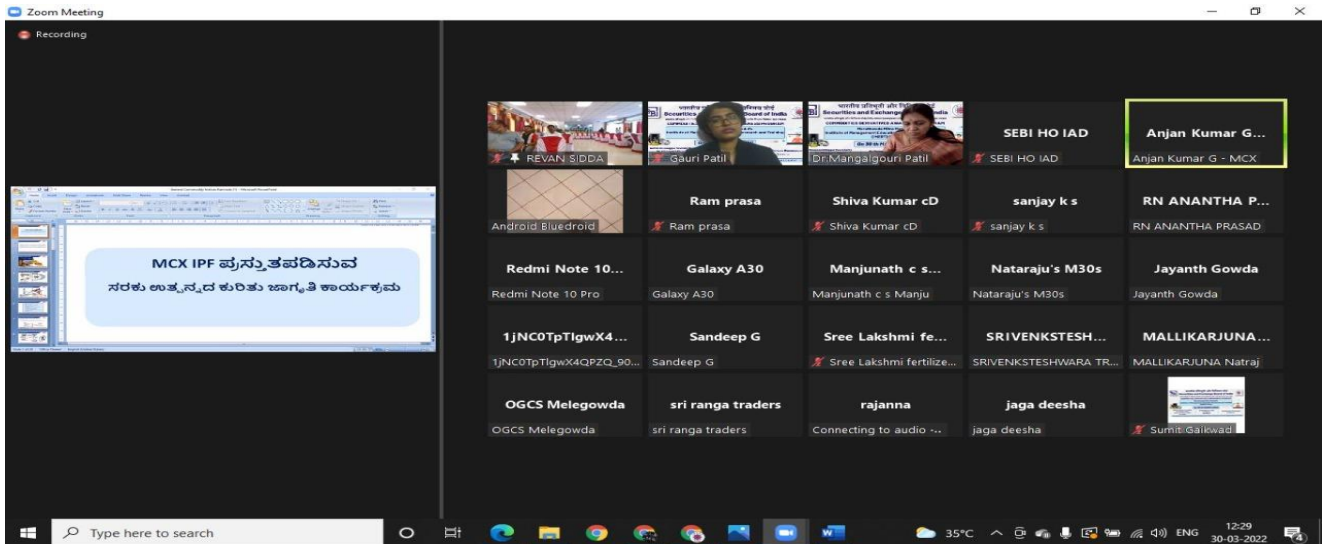
35°C
12:25
30-03-2022

The panel consisted of-

1. Guest Speaker Anjan Kumar G from MCX,
2. Evita Edwards from IAD of OIAE, SEBI,
3. Mr. Revansiddhappa Veershetty, Regional Deputy Manager, National Fertilizers Limited,
4. Dr. Mangalgouri Patil, Session Organizer, IMERT.

The speaker, guests and participants were introduced by the anchor. Evita Edwards introduced another member of SEBI who briefly talked commodity market.

Mr. Anjan Kumar G started speaking about the meaning of commodity market. He also talked about different types of market including forex and equity market very shortly in order to relate and compare it to commodity market. He explained how commodity market works and how it can benefit the farmer that grows the commodities that are traded.



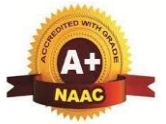
He spoke about the history of commodity market briefly mentioning when the exchange started its operation in India, when the options started and when it came under SEBI regulation. The discussion also involved those types of hard and soft commodities that can be traded.



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Mr. Anjan Kumar G talked more of soft commodities as it concerned the farmers. He explained the hierarchy of SEBI as well. The audience included farmers so the speaker explained in detail how they can participate in commodity market. He explained the deposit process in warehouse. By the end of the session, he encouraged farmers to participate in commodity market and briefly summarized the entire session again. There was a short time window open for Q&A.



Dr. Mangalgouri S Patil	Dr. Pranav Kayande	Dr. Shubhangee Ramaswamy
Name & Signature of Coordinator	Reviewed / Recommended	Approved by I/C Director