



Online Weekend Training Program

# Training Commodity Value Chain Professionals on Pricing and Valuation of Commodities

June 04-05, 2022 | June 11-12, 2022 | June 18-19, 2022

## About the Program

Commodities change hands based on the sellers' and buyers' mutual acceptance of their valuation. Valuation of commodities is based on various factors, which may be tangible/intangible. While information about various factors is available with various players in the value chain, how to identify the information from the clutter and use it for the purposes of valuation is often unknown. It needs that there is a dire need for those who play a critical role in the value chain (from trading to processing and retailing) know the sources of such information and how to arrive at a mutually win-win valuation in any given transaction. Valuation based transactions ending up as prices finally moves the commodity from the farmer/producer to the consumer. Further, in a globalized world, various other factors add to the valuation uncertainties, as with internationally traded commodities. Such factors include tariff rates, geopolitical risks, global PSD situation, and global trading policy. Stakeholders, need not only know what are they but also how these influence prices of commodities. With the development of Information and Communication Technology, not only that the factors that help in valuation are becoming increasingly available, but also enabled the movement of the valuation process itself to an electronic process of agreeing to exchange at a price.

Given a commodity, the valuation changes depending on various factors. The stakeholders must understand the factors that contribute to the variation to add value to their businesses and clients. Additionally, commodities must be procured on competitive valuation terms as most agricultural commodities reach consumers in the processed format through organized businesses besides being retailed through eCommerce platforms. Further, when valuations from various sources are made available, it is necessary to read these appropriately to end up with competitive transaction of the commodity on hand. Apart from spot platforms that make these valuation terms transparent, futures exchanges and information emanating from them bring in the time dimension to the valuation of commodities when it comes to taking valuation and procurement decisions.

Hence, the value chain stakeholders must be trained appropriately to provide value to the commodities value chain ecosystem businesses. This program will likely introduce the value chain participants to the fundamentals of valuation and the functioning of the market places.



## Objective

The objectives of the Program are

- a) To understand various factors that influence the process of valuation of various commodities
- b) To know various sources of information that go into the valuation process and the periodicity of their availability.
- c) To understand different processes involved in arriving at the valuation of various commodities.
- d) To recognize various sources of price information from organized markets and how to use the same in the valuation process.
- e) To understand the functioning of derivatives markets and to know how to interpret prices disseminated from the exchanges.
- f) To study the process of valuation in a collateral management business and its importance for the financing of commodities

The program will be conducted by NISM faculty leveraging NISM's online platform.

It will help various stakeholders in the commodity value chain and develop skill sets associated with 'Valuation of Commodities'.

## Program Important Features

### Program Timings

The program would be conducted on Three Consecutive Weekends (Saturday & Sunday) starting 4th of June 2022 and would conclude on 19th June 2022. Each Day there would be Two Lectures of 90 Minutes each (02:00 PM to 03:30 PM and 03:45 PM to 05:15 PM).

### Program Contents

The Program would be focusing on the important contents having key impact on the Pricing and Valuation of the Commodity. We have tried to incorporate various processes by which we can arrive at an effective, transparent and universally accepted price for the commodity and also learn how to read the quality report of the commodity sample, apply the possible premium or discount and arrive at the correct valuation for commodity under consideration. In the Program the participants would learn about APMC & Modern Electronic Platform and their role in Price Discovery, Factors Affecting Commodity Prices, Commodity Derivative Markets and their Role in Price discovery, Importance of Quality in Commodities Valuation, Commodity wise Major Quality Parameters (Discussion of Major Commodities, Essentials of Commodity Valuation, Price Pooling Process and Standards, Process of Valuation (Function of Price & Quality) and Challenges faced by the Warehousing Service Providers in Commodity Valuation.



## Program Fee Structure

Program Timings	
Fees Applicable if registered	Fees for a Participant (Rs.)
1-2 Members	25000

Group Registration	
Fees Applicable if registered group members are	Fees for a Participant (Rs.)
Three & More	20000

**Note:**

- Fees mentioned above are exclusive of applicable taxes, GST and bank charges(if any).
- Both offers will not be combined for any registered participants.

## How to Register for The Program?

**Step 1:**

- Please click this registration link or open this link in any browser.

<http://slims.nism.ac.in/eduwiz/forms/newregister.html>

**Step 2:**

- Please click on New registration  
(Once the registration is complete, you will receive User ID and Password in your registered Email ID).

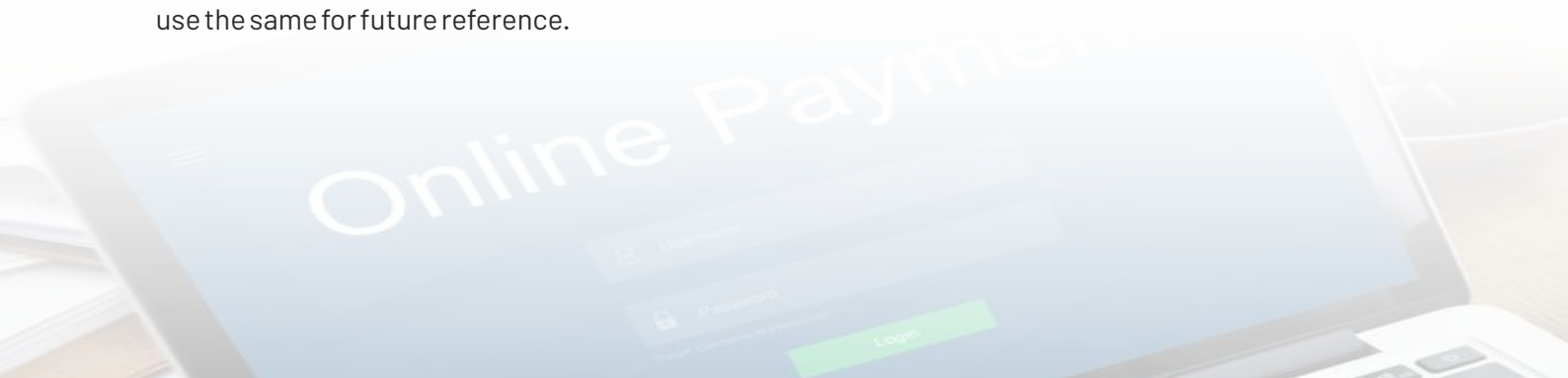
**Step 3:**

- In program name, please select "Training Commodity Value Chain Professionals on Pricing and Valuation of Commodities" and fill other necessary(\*)details.

**Step 4:**

- Please complete the registration and payment of fees. You may have to use the login credentials sent on your registered email id to complete the payment of programme fees.

After the successful registration, you will receive the fees payment receipt in the same portal. You may use the same for future reference.



# Lecture Schedule

(Total Duration of Program - 18 hours)

## Details of the Lectures mentioned above

1.	<b>India's Commodity Economy – Trade, Production, Marketing, Policy and Pricing</b>
2.	<b>Importance of Quality in Commodities Valuation</b>
3.	<b>Introduction to Key Quality Parameters (Discussion of Major Commodities) (1st Lecture)</b> <ul style="list-style-type: none"><li>• Food Grains - Cereals &amp; Pulses – Rice (Basmati &amp; Non-Basmati Rice), Wheat, Coarse Grain and Maize, Chana, Lentil, Urad, Tur &amp; Urad</li><li>• Edible Oil Complex - RM Seed, groundnut, sunflower, soybean, safflower, sesame, Castor Seed etc.</li></ul>
4.	<b>Introduction to Key Quality Parameters (Discussion of Major Commodities) (2nd Lecture)</b> <ul style="list-style-type: none"><li>• Spices - Coriander, Turmeric, Jeera, Chilli</li><li>• Cotton</li><li>• Sugar and Others (Guar Seed Complex, Etc.)</li></ul>
5.	<b>Overview of Commodity Value Chain &amp; Its Implications for Valuation (1st Lecture)</b> <ul style="list-style-type: none"><li>• Cereals - Rice (Basmati &amp; Non-Basmati Rice)</li><li>• Cereals - Wheat and Maize</li><li>• Pulses - Chana, Urad, Tur, lentil &amp; Urad</li></ul>
6.	<b>Overview of Commodity Value Chain &amp; Its Implications for Valuation (2nd Lecture)</b> <ul style="list-style-type: none"><li>• Oil Seeds Complex</li><li>• Major Spices</li><li>• Cotton</li></ul>
7.	<b>Essentials of Commodity Valuation – location, grades/standards, logistics etc.</b>
8.	<b>Importance of Benchmarks and Process of Polling</b>
9.	<b>APMC and other Electronic Spot Trading Platforms and their role in Price Discovery</b>
10.	<b>Price Discovery in Commodity Derivative Markets</b>
11.	<b>Process of Valuation</b>
12.	<b>Challenges to Valuation of Commodities</b>
<b>Final Assessment of the Candidates (200 Marks)</b> <ul style="list-style-type: none"><li>• Valuation of Commodities - (Valuation Using Actual Price &amp; Quality reports) - 100 Marks</li><li>• MCQ Exam (50 MCQ Questions) - 100 Marks</li></ul>	





### Program Director

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