



Circular No.: MCX/TRD/597/2020

August 19, 2020

---

### Modifications in Mentha Oil Futures Contract

---

In terms of the provisions of the Rules, Bye-Laws and Business Rules of the Exchange, the Members of the Exchange are hereby notified as under:

The Exchange has decided to modify the contract specifications for Mentha Oil Futures contract in the December 2020 and onwards expiry contracts. Accordingly Members are notified as under:

- 1) With effect from August 20, 2020 no further fresh positions will be permitted till September 18, 2020, in December 2020 and onwards expiry contracts.
- 2) The revised contract specifications specified in **Annexure** with regards to Quality Specifications will be implemented **w.e.f. September 21, 2020**. Summary of modifications are as follows:

Particulars	Existing	Modified
Quality Specifications*	2-Ethyl 1-Hexanol – Nil	<b>Not Applicable</b>
	Carbitol – Nil	<b>Not Applicable</b>
	5-Methyl 2,4 – diisopropylphenol – Nil	<b>Not Applicable</b>
* Rest of the parameters of Quality Specifications will remain the same.		

The Delivery & Settlement procedure and procedure at MCXCCL Accredited Warehouses are separately intimated by Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) through MCXCCL Circular No. MCXCCL/MO/138/2020 dated June 23, 2020.

Members are requested to take note of the above.

Niket Patel  
Manager

Kindly contact Customer Support on 022 - 6649 4040 or send an email at [customersupport@mcxindia.com](mailto:customersupport@mcxindia.com) for any clarification.

---

----- Corporate office -----  
Multi Commodity Exchange of India Limited  
Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400 093  
Tel.: 022 – 6649 4000 Fax: 022 – 6649 4151 CIN: L51909MH2002PLC135594  
[www.mcxindia.com](http://www.mcxindia.com) email: [customersupport@mcxindia.com](mailto:customersupport@mcxindia.com)

## Contract Specifications of Mentha Oil

<b>Symbol</b>	MENTHAOIL
<b>Description</b>	MENTHAOILMMYY
<b>Contract Listing</b>	Contracts are available as per the Contract Launch Calendar.
<b>Contract Start Day</b>	1 <sup>st</sup> day of contract launch month. If 1 <sup>st</sup> day is a holiday then the following working day.
<b>Last Trading Day</b>	Last calendar day of the contract expiry month. If last calendar day is a holiday then the preceding working day.
<b>Trading</b>	
<b>Trading Period</b>	Mondays through Fridays
<b>Trading Session</b>	Monday to Friday: 9.00 a.m. to 5.00 p.m.
<b>Trading Unit</b>	1080 Kg (6 drums)
<b>Quotation/ Base Value</b>	1 kg
<b>Price Quote</b>	Ex – Chandausi, District Moradabad, Uttar Pradesh (Inclusive of Mandi Tax, but exclusive of all taxes, purchase tax/ sales tax/ GST, if applicable and levies)
<b>Maximum Order Size</b>	18000 kg (100 drums)
<b>Tick Size (Minimum Price Movement)</b>	10 paise
<b>Daily Price Limits</b>	DPL shall have two slabs - Initial and Enhanced Slab. Once the initial slab limit of 3% is reached in any contract, then after a period of 15 minutes, this limit shall be increased further by enhanced slab of 1%, only in that contract. The trading shall be permitted during the 15 minutes period within the initial slab limit. After the DPL is enhanced, trades shall be permitted throughout the day within the enhanced total DPL of 4%.
<b>Initial Margin*</b>	Minimum 12% or based on SPAN whichever is higher
<b>Extreme Loss Margin</b>	Minimum 1%
<b>Additional and/ or Special Margin</b>	In case of additional volatility, an additional margin (on both buy & sell side) and/ or special margin (on either buy or sell side) at such percentage, as deemed fit, will be imposed in respect of all outstanding positions.
<b>Maximum Allowable Open Position</b>	For individual clients: 184 MT For a member collectively for all clients: 1840 MT or 15% of the market wide open position, whichever is higher.  Near Month Limits For individual clients: 46 MT Near month member level position limit shall be equivalent to the one fourth of the overall member level position limit.
<b>Delivery</b>	
<b>Delivery Unit</b>	1080 Kg/ 6 drums (with a tolerance limit of 1% per drum) and direct multiples thereof, though he will get the value only for the actually quantity delivered by him.
<b>Delivery Margin**</b>	Delivery period margins shall be higher of: a. 3% + 5 day 99% VaR of spot price volatility Or b. 25%

<b>Delivery Centre(s)</b>	At Exchange designated warehouse at Chandausi																																		
<b>Additional Delivery Centre (s)</b>	At exchange designated warehouse at Barabanki at a discount of Rs. 2/- per kg.																																		
<b>Quality Specifications</b>	<p><b>Natural Crude Mentha Oil (arvensis) conforming to the following quality specification:</b></p> <table border="1"> <tr> <td>Appearance</td> <td>Clear liquid</td> </tr> <tr> <td>Colour</td> <td>Pale yellow</td> </tr> <tr> <td>Odor</td> <td>Characteristics of Mentha arvensis</td> </tr> <tr> <td>Optical Rotation (°)</td> <td>-32 to -36</td> </tr> <tr> <td>Specific Gravity at 25°C</td> <td>0.80 to 0.91</td> </tr> <tr> <td>Refractive Index at 25°C</td> <td>1.42 – 1.48</td> </tr> <tr> <td>Solubility in 70% Ethanol at 25°C</td> <td>Soluble (1 : 3.5 volumes of Ethanol)</td> </tr> <tr> <td>L-Menthol</td> <td>73% as per GLC test – Capillary column Acceptable upto 67% with 1:1 discount Above 73% with 1:1 premium</td> </tr> <tr> <td>Terpene</td> <td>Max 8%</td> </tr> <tr> <td>Menthyl Acetate</td> <td>1.8% to 3.5%</td> </tr> <tr> <td>Total Menthol Content</td> <td>Minimum 78%</td> </tr> <tr> <td>Neo Menthol</td> <td>1.8% to 3.0%</td> </tr> <tr> <td>Total Menthones</td> <td>9 to 13%</td> </tr> <tr> <td>Pulegone</td> <td>Max 1.6%</td> </tr> <tr> <td>High Boilers</td> <td>Max 2.0%</td> </tr> <tr> <td>Water and Solid Sediments</td> <td>0.65%</td> </tr> <tr> <td>DL - Menthol</td> <td>Nil</td> </tr> </table> <ul style="list-style-type: none"> <li>• It should be free from adulteration or any admixture such as edible oil, petroleum, mineral oil etc.</li> <li>• In order to check adulteration, water test, pH paper test, alkali test or any other necessary test will also be conducted, which should confirm to be negative.</li> </ul>	Appearance	Clear liquid	Colour	Pale yellow	Odor	Characteristics of Mentha arvensis	Optical Rotation (°)	-32 to -36	Specific Gravity at 25°C	0.80 to 0.91	Refractive Index at 25°C	1.42 – 1.48	Solubility in 70% Ethanol at 25°C	Soluble (1 : 3.5 volumes of Ethanol)	L-Menthol	73% as per GLC test – Capillary column Acceptable upto 67% with 1:1 discount Above 73% with 1:1 premium	Terpene	Max 8%	Menthyl Acetate	1.8% to 3.5%	Total Menthol Content	Minimum 78%	Neo Menthol	1.8% to 3.0%	Total Menthones	9 to 13%	Pulegone	Max 1.6%	High Boilers	Max 2.0%	Water and Solid Sediments	0.65%	DL - Menthol	Nil
Appearance	Clear liquid																																		
Colour	Pale yellow																																		
Odor	Characteristics of Mentha arvensis																																		
Optical Rotation (°)	-32 to -36																																		
Specific Gravity at 25°C	0.80 to 0.91																																		
Refractive Index at 25°C	1.42 – 1.48																																		
Solubility in 70% Ethanol at 25°C	Soluble (1 : 3.5 volumes of Ethanol)																																		
L-Menthol	73% as per GLC test – Capillary column Acceptable upto 67% with 1:1 discount Above 73% with 1:1 premium																																		
Terpene	Max 8%																																		
Menthyl Acetate	1.8% to 3.5%																																		
Total Menthol Content	Minimum 78%																																		
Neo Menthol	1.8% to 3.0%																																		
Total Menthones	9 to 13%																																		
Pulegone	Max 1.6%																																		
High Boilers	Max 2.0%																																		
Water and Solid Sediments	0.65%																																		
DL - Menthol	Nil																																		
<b>Packing</b>	Mentha oil for delivery would be accepted in brand new galvanized iron container with minimum drum weight of 21 kg containing 180 kg of Mentha oil of specified quality. The cost of container, as fixed by the Exchange, will be payable by the buyer.																																		
<b>Staggered Delivery Tender Period</b>	<p>The staggered delivery tender period would be the last 5 trading days (including expiry day) of the contracts.</p> <p>The seller/buyer having open position shall have an option, of submitting an intention of giving/taking delivery, on any day during the staggered delivery period.</p>																																		

	On expiry of the contract, all the open positions shall be marked for compulsory delivery.																																																				
<b>Delivery allocation</b>	<p>Allocation of intentions received to give delivery during the day to buyers having open long position shall be as per random allocation methodology to ensure that all buyers have an equal opportunity of being selected to receive delivery irrespective of the size or value of the position. However, preference may be given to buyers who have marked an intention of taking delivery.</p> <p>Funds pay-in of the delivery allocated to the buyer will be on T+2 working days i.e. excluding Saturday, Sunday &amp; Public Holiday.</p> <p>The buyer to whom the delivery is allocated will not be allowed to refuse taking delivery. If the seller fails to deliver, the penal provisions as specified for seller default shall be applicable.</p>																																																				
<b>Delivery order rate</b>	<p>On Tender Days: The delivery order rate (the rate at which delivery will be allocated) shall be the closing price (weighted average price of last half an hour) on the respective tender day except on the expiry date.</p> <p>On Expiry: On expiry date, the delivery order rate or final settlement price shall be the Due Date Rate (DDR) and not the closing price.</p>																																																				
<b>Due Date Rate (Final Settlement Price)</b>	<p>For contracts where Final Settlement Price (FSP) is determined by polling, unless specifically approved otherwise, the FSP shall be arrived at by taking the simple average of the last polled spot prices of the last three trading days viz., E0 (expiry day), E-1 and E-2. In the event the spot price for any one or both of E-1 and E-2 is not available; the simple average of the last polled spot price of E0, E-1, E-2 and E-3, whichever available, shall be taken as FSP. Thus, the FSP under various scenarios of non-availability of polled spot prices shall be as under:</p> <table border="1"> <thead> <tr> <th rowspan="2">Scenario</th> <th colspan="4">Polled spot price availability on</th> <th rowspan="2">FSP shall be simple average of last polled spot prices on:</th> </tr> <tr> <th>E0</th> <th>E-1</th> <th>E-2</th> <th>E-3</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes/No</td> <td>E0, E-1, E-2</td> </tr> <tr> <td>2</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>E0, E-1, E-3</td> </tr> <tr> <td>3</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>Yes</td> <td>E0, E-2, E-3</td> </tr> <tr> <td>4</td> <td>Yes</td> <td>No</td> <td>No</td> <td>Yes</td> <td>E0, E-3</td> </tr> <tr> <td>5</td> <td>Yes</td> <td>Yes</td> <td>No</td> <td>No</td> <td>E0, E-1</td> </tr> <tr> <td>6</td> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> <td>E0, E-2</td> </tr> <tr> <td>7</td> <td>Yes</td> <td>No</td> <td>No</td> <td>No</td> <td>E0</td> </tr> </tbody> </table> <p>In case of non-availability of polled spot price on expiry day (E0)/predetermined number of days due to sudden closure of physical market under any emergency situations noticed, Clearing Corporation shall decide further course of action for determining FSP and which shall be in accordance with MCXCCL circular no. MCXCCL/SPOT/077/2020 dated April 13, 2020.</p> <p>For the purpose of computation of DDR spot prices the</p>	Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:	E0	E-1	E-2	E-3	1	Yes	Yes	Yes	Yes/No	E0, E-1, E-2	2	Yes	Yes	No	Yes	E0, E-1, E-3	3	Yes	No	Yes	Yes	E0, E-2, E-3	4	Yes	No	No	Yes	E0, E-3	5	Yes	Yes	No	No	E0, E-1	6	Yes	No	Yes	No	E0, E-2	7	Yes	No	No	No	E0
Scenario	Polled spot price availability on				FSP shall be simple average of last polled spot prices on:																																																
	E0	E-1	E-2	E-3																																																	
1	Yes	Yes	Yes	Yes/No	E0, E-1, E-2																																																
2	Yes	Yes	No	Yes	E0, E-1, E-3																																																
3	Yes	No	Yes	Yes	E0, E-2, E-3																																																
4	Yes	No	No	Yes	E0, E-3																																																
5	Yes	Yes	No	No	E0, E-1																																																
6	Yes	No	Yes	No	E0, E-2																																																
7	Yes	No	No	No	E0																																																

	following mandis with equal weightage will be considered: Chandausi Sambhal Rampur Barabanki (Rs 2/Kg will be added to Barabanki spot price)
<b>Delivery Logic</b>	Compulsory

\*The Margin Period of Risk (MPOR) shall be in accordance with SEBI Circular no. SEBI/HO/CDMRD/DRMP/CIR/P/2020/15 dated January 27, 2020. For applicable minimum MPOR, refer latest circulars issued by MCXCCL from time to time.

\*\* As per SEBI directive SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated Sep 01, 2016

### Contract Launch Calendar of Mentha Oil

<b>Contract Launch Months</b>	<b>Contract Expiry Months</b>
July 2020	December 2020
August 2020	January 2021
September 2020	February 2021
October 2020	March 2021
November 2020	April 2021
December 2020	May 2021
January 2021	June 2021
February 2021	July 2021
March 2021	August 2021
April 2021	September 2021
May 2021	October 2021
June 2021	November 2021