



Circular No: MCX/TRD/545/2021

August 24, 2021

Approval for launching of Futures contracts on MCX iCOMDEX Energy Index

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

The Exchange is pleased to announce that it has received permission from SEBI for launch of Futures contracts on MCX iCOMDEX Energy Index.

The date of launch of the Index Futures contracts shall be informed to the market participants separately. The details of the approved contracts and the contract specifications are attached as **Annexure**.

The settlement procedure for MCX iCOMDEX Energy index Futures contracts shall be same as stipulated in MCXCCL Circular no. MCXCCL/C&S/192/2020 dated August 17, 2020.

Members are requested to take note of the same.

Jigar Bhatia
AVP - Market Operations

Encl: As above

Kindly contact Customer Service Team on 022 – 6649 4040 or send an email at customersupport@mcxindia.com for any clarification.

----- Corporate office -----
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Contract Specifications of MCX iCOMDEX Energy Index Futures

Parameter	Particulars
Symbol	MCXENRGDEX
Description	MCXENRGDEXMMYY
Underlying Index	MCX iCOMDEX ENERGY
Contract Listing	Contracts are available as per the Contract Launch Calendar.
Contract Start Day	1 st day of contract launch month. If 1 st day is a holiday then the following working day.
Last Trading Day	One business (full) day prior to the start of rollover period in the underlying constituent/(s) index.
Trading	
Trading Period	Mondays through Fridays
Trading Session	Monday to Friday: 9:00 a.m. to 11:30 / 11:55 p.m.* * based on US daylight saving time period.
Trading Unit (1 Lot)	Rs. 125 * MCX iCOMDEX ENERGY
Quotation / Base Value	Index Points
Maximum Order Size	80 Lots
Tick Size (Minimum Price Movement)	1
Daily Price Limits	The base price limit will be 4%. Whenever the base daily price limit is breached, the relaxation will be allowed upto 6% without any cooling off period in the trade. In case the daily price limit of 6% is also breached, then after a cooling off period of 15 minutes, the daily price limit will be relaxed upto 9%. In case price movement in underlying Commodity Index is more than the maximum daily price limit of index futures (currently 9%), the price limit of the index futures may be further relaxed in steps of 3% and will be informed to the Regulator immediately.
Initial Margin*	Minimum 10% or based on SPAN whichever is higher (or such other margin as prescribed by MCXCCL based on risk framework)
Extreme Loss Margin	Minimum 1% (or such other margin as prescribed by MCXCCL based on risk framework)
Additional and / or Special Margin	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.
Maximum Allowable Open Position	For individual clients: 1,000 lots or 5% of market wide open position, whichever is higher for all MCX iCOMDEX Energy index futures contracts combined together. For a member collectively for all clients: 10,000 lots or 15% of market wide open position, whichever is higher for all MCX iCOMDEX Energy index futures contracts combined together.

<p>Due Date Rate</p>	<p>The Final Settlement Price will be the underlying Index price arrived at based on Volume Weightage Average Price of the constituents of the underlying Index between 4:00 p.m. and 5:00 p.m. on the expiry day of the Index futures contract.</p> <p>In absence of trading in any of the constituent of the underlying Index between 4:00 p.m. and 5:00 p.m. on the expiry day of the Index futures contract, the below methodology will be followed to obtain the appropriate price of <u>only</u> such constituent to arrive at the underlying Index price:</p> <ul style="list-style-type: none"> i. If there are no trades in the constituent during 4:00 p.m. and 5:00 p.m. on the expiry day of the Index futures contract, then it will be based on the weighted average price of the last 10 trades executed during the day. ii. If the number of trades done during the day are less than 10, then it is taken as the weighted average of all the trades executed during the day. iii. If no trades have been executed in a contract on a day, then the official Closing Price of the previous day will be considered. <p>On the day of expiry, the trading in expiring contract shall be allowed up to 5:00 p.m.</p> <p>The index value so arrived will be rounded off to the nearest tick. For example, on the day of expiry, if index value arrived based on VWAP of the constituents of the underlying Index during the above said period is 5,000.15, then DDR for the contract would be 5,000 (rounded off to the nearest tick) and if index value is 5,000.50, then DDR for the contract would be considered as 5,001 for settlement purpose.</p>
<p>Settlement Mechanism</p>	<p>The contract would be settled in cash</p>

* The Margin Period of Risk (MPOR) shall be 3 days and the computation of Initial Margin shall be based on VaR over three-day horizon (i.e. MPOR = 3 days).

Contract Launch Calendar for MCX iCOMDEX Energy Index Futures

Contract Month	Contract Launch Month	Contract Expiry Month
November 2021	On approval from SEBI	November 2021
December 2021	On approval from SEBI	December 2021
January 2022	On approval from SEBI	January 2022
February 2022	November 2021	February 2022
March 2022	December 2021	March 2022
April 2022	January 2022	April 2022
May 2022	February 2022	May 2022
June 2022	March 2022	June 2022
July 2022	April 2022	July 2022
August 2022	May 2022	August 2022
September 2022	June 2022	September 2022
October 2022	July 2022	October 2022