



Circular No.: MCX/TRD/105/2023

February 15, 2023

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### Launch of Lead Mini Futures Contracts

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In terms of the provisions of the Rules, Bye-Laws and Business Rules of the Exchange, and in continuation to Exchange circular no. MCX/TRD/022/2023 dated January 12, 2023, the Members of the Exchange are hereby notified as under:

The Exchange is pleased to announce the launch of Lead Mini Futures contracts with effect from **Wednesday, February 22, 2023**.

Lead Mini Futures contract will be available for trading as below:

Contract Launch date	Contract Expiry Date	Contract Expiry Month
February 22, 2023	March 31, 2023	March 2023
February 22, 2023	April 28, 2023	April 2023
February 22, 2023	May 31, 2023	May 2023
February 22, 2023	June 30, 2023	June 2023

The contract specifications and trading parameters of the contracts as specified in **Annexure**, herewith, shall be binding on all the Members of the Exchange and constituents trading through them.

Further, it may be noted that, for all the applicable margins, the Members are requested to refer the latest circulars issued by Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) from time to time.

With reference to circular no. MCX/T&S/082/2015 dated March 19, 2015; the LTP based Spread Trading Facility will be available in below mentioned combinations with effect from **Wednesday, February 22, 2023**.

Commodity	Symbol	End Date of spread	Near month	Far month
LEADMINI	LEMMARAP23	31-Mar-23	Mar-23	Apr-23
LEADMINI	LEMMARMY23	31-Mar-23	Mar-23	May-23
LEADMINI	LEMAPRMY23	28-Apr-23	Apr-23	May-23

**Trading will be allowed only upto 5:00 p.m. on the date of expiry of the contract.**

Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) will inform the Delivery & Settlement Procedure separately.

Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) will inform the warehousing procedure at MCXCCL Accredited Warehouses separately.

Members are requested to take note of the above.

Jigar Bhatia  
Asst. Vice President

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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 -----  
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## Contract Specifications of Lead Mini

<b>Symbol</b>	LEADMINI
<b>Description</b>	LEADMINIMYY
<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 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 11.30 p.m. / 11.55 p.m* (*based on US daylight saving time period)
<b>Trading Unit</b>	1 MT
<b>Quotation/ Base value</b>	1 Kg
<b>Price Quote</b>	Ex-Warehouse at Chennai district in Tamil Nadu (excludes only GST)
<b>Maximum Order Size</b>	100 MT
<b>Tick Size (Minimum Price Movement)</b>	5 Paisa per kg
<b>Daily Price Limits</b>	<p>The Exchange has implemented a narrower slab of 4%. Whenever the narrower slab is breached, the relaxation will be allowed up to 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 up to 9%.</p> <p>In case price movement in international markets is more than the maximum daily price limit (currently 9%), the same may be further relaxed in steps of 3%.</p>
<b>Initial Margin*</b>	Minimum 8% 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>	<p>For individual clients: 3,500 MT or 5% of the market wide open position, whichever is higher for all Lead contracts combined together.</p> <p>For a member collectively for all clients: 35,000 MT or 20% of the market wide open position, whichever is higher for all Lead contracts combined together.</p>
<b>Delivery</b>	
<b>Delivery Unit</b>	1 MT with tolerance limit of + / - 10%

<b>Delivery Period Margin**</b>	<p>Delivery period margins shall be higher of:</p> <p>a. 3% + 5 day 99% VaR of spot price volatility</p> <p>Or</p> <p>a. 25%</p>
<b>Delivery Center</b>	<p>Ex-Warehouse at Chennai district in Tamil Nadu</p> <p>As per SEBI circular SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers.</p>
<b>Additional Delivery Centre (s)</b>	<ol style="list-style-type: none"> <li>1. Thane district in Maharashtra</li> <li>2. National Capital Region (NCR)</li> <li>3. Kolkata district in West Bengal</li> </ol> <p>The premium / discount for the additional delivery center to the base delivery center (Chennai) will be announced by the Exchange before launch of the contract. As per SEBI circular SEBI/HO/CDMRD/DMP/P/CIR/2021/551 dated April 16, 2021, the exchanges may accredit warehouses of a WSP within 100 kms radius of the delivery centers.</p>
<b>Quality Specifications &amp; Shape</b>	<p>Lead Ingots with minimum purity of 99.97%.</p> <p>Only LME approved brands will be accepted #. For the purpose of quality assessment, reliance shall be placed by the WSP on the Certificate of Analysis (CoA) issued by the producer.</p> <p># List available on <a href="https://www.mcxcl.com/warehousing-logistics/lme-approved-brands">https://www.mcxcl.com/warehousing-logistics/lme-approved-brands</a>.</p>
<b>Additional Deliverable Grade</b>	<p>Any other Lead producer brands as approved by MCX#</p> <p># List available on <a href="https://www.mcxcl.com/warehousing-logistics/mcx-lme-approved-brands">https://www.mcxcl.com/warehousing-logistics/mcx-lme-approved-brands</a></p> <p>For the purpose of quality assessment, reliance shall be placed by the WSP on the Certificate of Analysis (CoA) issued by the producer</p>
<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> <p>On expiry of the contract, all the open positions shall be marked for compulsory delivery.</p>

<b>Delivery allocation</b>	<p>Delivery intensions of Seller(s) shall be randomly allocated to ensure that all buyers have an equal opportunity irrespective of the size or value of the position. However, preference may be given to buyers who have given an intention of taking delivery.</p> <p>Pay-in will be on T+1 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 Staggered Delivery Tender Days:</p> <p>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 prices.</p>																																																				
<b>Due Date Rate (Final Settlement Price)</b>	<p>The Final Settlement Price (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.</p> <p>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" data-bbox="574 1265 1444 1780"> <thead> <tr> <th rowspan="2">Scenario</th> <th colspan="4">Polled spot price availability</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.</p>	Scenario	Polled spot price availability				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
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7	Yes	No	No	No	E0																																																
<b>Delivery Logic</b>	Compulsory Delivery																																																				

\* A) 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.

B) For all the applicable margins, refer the latest circulars issued by the Exchange or Multi Commodity Exchange Clearing Corporation Limited (MCXCCL) from time to time.

\*\*Delivery Period Margin-As per SEBI directive SEBI/HO/CDMRD/DRMP/CIR/P/2016/77 dated September 01, 2016.

**Contract Launch Calendar for Lead Mini (on a continuous basis)**

<b>Contract Launch Months</b>	<b>Contract Expiry Months</b>
February 2023	March 2023
February 2023	April 2023
February 2023	May 2023
February 2023	June 2023
March 2023	July 2023
April 2023	August 2023
May 2023	September 2023
June 2023	October 2023
July 2023	November 2023
August 2023	December 2023
September 2023	January 2024
October 2023	February 2024
November 2023	March 2024
December 2023	April 2024