



Metropolitan Stock Exchange of India Limited

Department: Market Operation

Segment: Currency Derivatives

Circular No: MSE/TRD/5750/2017

Date: November 13, 2017

Subject: Cash Settled Interest Rate Futures (IRF) on 13 year Government of India (GoI) Securities

To All Members,

In terms of provisions of the Rules, Bye-Laws and Regulations of the Exchange and in continuation to circular No.: MSEI/CDS/TRD/3533/2015 dated November 10, 2015 on Exchange Traded Cash Settled Interest Rate Futures (IRF) on 6 year, 10 year and 13 year Government of India (GoI) Security, members of the Exchange are notified as under:

Cash Settled Interest Rate Futures (IRF) on 13 year Government of India (GoI) Security in the Currency Derivatives Segment will be available on the following bond with effect from **Tuesday, November 14, 2017**:

- 6.68% Government of India Bond maturing on September 17, 2031

The list of contracts made available for trading are as follows:

Future Contracts:

Underlying Bond	Instrument	Symbol	Monthly Contracts	Three Quarterly Contracts
6.68% Government of India Bond maturing on September 17, 2031	FUTIRF	0668GS2031	November 2017 December 2017 January 2018	March 2018 June 2018 September 2018

Spread Contracts:

Instrument	Symbol	Description
FUTIRF	0668SPND17	668GS2031NOVDECSPREAD2017
FUTIRF	0668SPN118	668GS2031NOVJANSPREAD2018
FUTIRF	0668SPD118	668GS2031DECJANSPREAD2018

The product specification of 0668GS2031 is attached as Annexure.

For any clarifications, contact Customer Service on 022-61129010 or send an email to customerservice@msei.in.

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

**Shalini Rebeiro
Sr. Manager**

Contract Specification for IRF contract

	13 year Government of India (GoI) Security
Symbol	0668GS2031
Instrument Type	FUTIRF
Unit of trading	Each futures contract shall represent 2000 underlying bonds of total face value of INR 2,00,000/-.
Underlying	6.68% Central Government Security having maturity on September 17, 2031
Coupon	6.68%
Trading hours	Monday to Friday 9:00 AM to 5.00 PM
Contract Value	Quoted price * 2000
Quotation	One Bond of face value ` 100
Tick size	0.25 paise (or INR 0.0025)
Contract trading cycle	Three serial monthly contracts followed by three quarterly contracts of the cycle March/June/September/December.
Daily Contract Settlement Value	Daily settlement price (DSP) * 2000
Daily settlement price (DSP)	DSP shall be calculated on the basis of the last half an hour volume weighted average price of such contract. In the absence of last half an hour trading on the Exchange, theoretical futures price shall be considered for computation of DSP. For computing theoretical futures price, following shall be considered:- <ul style="list-style-type: none"> • Weighted average price of underlying bond in last two hours of trading on NDS-OM • If no trades are executed in the underlying bond then, a theoretical price with reference to FIMMDA rates shall be used.
Final Contract Settlement Value	Final Settlement price* 2000
Final Settlement price (FSP)	Final Settlement price will be arrived at by calculating the weighted average price of the underlying bond based on the prices during the last two hours of the trading on NDS-OM. If less than 5 trades are executed in the underlying bond during the last two hours of trading, then FIMMDA price shall be used for final settlement.
Expiry/ Last trading day	The expiry / last trading day for the contract shall be the last Thursday of the expiry month. If any expiry day is a trading holiday/ shut period, then the expiry/ last trading day shall be the previous trading day.
Daily settlement	T+1

Final settlement	T+1
Settlement Mechanism	Settlement shall happen in cash in INR
Daily Price Range (DPR)/ Dynamic Price Bands	<p>3% of Previous Close/ Base Price</p> <p>Whenever a trade in any contract is executed at the highest/lowest price of the band, the Exchange may expand the DPR/ dynamic price band for that contract by 0.5% in that direction after 30 minutes after taking into account market trend. However, no more than 2 expansions in the price band shall be done within a day.</p> <p>Further, SEBI in consultation with RBI may halt the trading in case of extreme volatility.</p>