

No. 6/5/2008-MKT-II

Dated the 4th August, 2009

To

Shri Parag Jain,
Chief Regulatory Compliance Officer,
Multi Commodity Exchange of India Ltd.,
102 A, Landmark, Suren Road,
Chakala, Andheri (East), Mumbai – 400 093.

Sub: - Changes in the regulatory measures of CPO contracts

Sir,

I am directed to refer to your letter No.MCX/SG/2009-10/019 dated 17th June 2009 wherein request for revision in the daily price limit and removal of near month open position limits from CPO contracts was made by the Exchange. The issue has been examined in the office of the Commission and it has been decided to increase the limit on daily price fluctuation to 3% initially and with the break of 15 minutes to 1% more (3%+1% = 4%) in respect of all the CPO contracts traded at the National Exchanges.

2. This revised limit may be implemented after the expiry of the present near month contract. The Exchange is requested to immediately notify to the trade this revised daily price limit through issue of circular as well as by broadcasting on terminals. Compliance of this direction of the Commission may please be confirmed

3. I am also directed to state that your request for removal of near month limits on open position from CPO contracts has not been acceded to by the Commission.

Yours faithfully,

SD/

(Dinesh Kumar Soni)
Deputy Director