Press Release

MCX announces the launch of Electricity Derivatives - a landmark in India's energy-market evolution

Mumbai, June 6, 2025: The Multi Commodity Exchange of India Ltd. (MCX), India's leading Commodity Derivatives Exchange, has received approval from the Securities and Exchange Board of India (SEBI) to launch Electricity Derivatives, marking a significant milestone in the evolution of India's Energy trading landscape.

This development underscores the strong commitment and support of the Regulators - SEBI and Central Electricity Regulatory Commission (CERC) - in enabling a dynamic and sustainable power market.

The Electricity Derivatives Contracts to be introduced by MCX will enable generators, distribution companies, and large consumers to hedge against price volatility and manage price risks more effectively, by enhancing efficiency in the power market.

This landmark move positions MCX as a torchbearer of innovation in commodity trading, while reinforcing India's ambition towards sustainable energy and capital market development. It also marks a pivotal step toward deepening India's energy markets and aligns with the broader vision of '*Viksit Bharat*'.

Speaking on the development, Ms. Praveena Rai, MD & CEO, MCX, said: "*The introduction of electricity derivatives marks a pivotal development in India's commodities ecosystem. These contracts will offer participants a reliable, transparent, and regulated platform to manage power price risks, which are becoming more dynamic due to renewables and market-based reforms. With India's growing focus on renewable energy and open access power markets, electricity derivatives can serve as a vital bridge between the physical and financial sectors*."

About MCX:
MCX, operational since 2003, is India's leading commodity derivatives exchange with a market share of about 98% in terms of the value of commodity futures contracts traded in financial year 2024-25. With pan-Indian presence, MCX serves as a dynamic platform for the Indian commodity market ecosystem, offering dual advantages of fair price discovery and efficient risk management. It offers trading in a diverse range of commodities, spanning multiple segments including bullion, energy, metals and agri commodities, as well as sectoral commodity indices. The exchange has forged strategic alliances with various international exchanges, as well as Indian and international trade associations. For more information about MCX and its products, visit: www.mcxindia.com

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