

NATIONAL STOCK EXCHANGE OF INDIA LIMITED**DEPARTMENT : FUTURES & OPTIONS**

Download Ref No : NSE/FAOP/27932

Date : October 29, 2014

Circular Ref. No : 078/2014

All Members,

Adjustment of Futures and Options contracts in the security SBIN

In pursuance of SEBI guidelines for adjustments to futures and options contracts on announcement of corporate action, the members are informed of the following:

State Bank Of India has informed the Exchange that the Company has fixed Record Date as November 21, 2014 for the purpose of determining the eligibility of shareholders entitled to receive 10 (Ten) equity shares of nominal value of Rs. 10/- each on lieu of 1 (One) equity share of nominal value of Rs. 10/- each of the Bank on account of reduction in face value (Sub-division of equity shares).

Symbol : SBIN
Stock split ratio : 10:1
Ex-date : November 20, 2014

Adjustment factor:

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of SBIN, the adjustment factor is $(10/1) = 10$, since the split ratio is 10:1.

Adjustments for Options Contracts:

1. Strike Price: The adjusted strike price shall be arrived at by dividing the old strike price by the adjustment factor.
2. Market Lot: The adjusted market lot shall be arrived at by multiplying the old market lot by the adjustment factor. The revised market lot would be **1250**.

Adjustments for Futures Contracts:

1. Futures price: The adjusted futures price shall be arrived at by dividing the old futures price by the adjustment factor.
2. Market Lot: The adjusted market lot shall be arrived at by multiplying the old market lot by the adjustment factor. The revised market lot would be **1250**.

An example for deriving the adjustment factor, revised strike /futures base price and lot size is given in Annexure-1.

The methodology for position adjustments shall be separately intimated by NSCCL.

The above changes shall be effective from November 20, 2014.

Members are advised to load the updated contract.gz file in the trading application before trading on November 20, 2014. This file can be obtained from the directory faoftp/faocommon on the Extranet server.

The details of the revised option strike prices, futures prices and quantity freeze limit will be informed to members separately on November 19, 2014.

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

**Suprabhat Lala
Vice President**

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Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	SBIN	27-NOV-2014	2500	CE	125
OPTSTK	SBIN	27-NOV-2014	2500	PE	125
OPTSTK	SBIN	27-NOV-2014	2550	CE	125
OPTSTK	SBIN	27-NOV-2014	2550	PE	125

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	SBIN	27-NOV-2014	250	CE	1250
OPTSTK	SBIN	27-NOV-2014	250	PE	1250
OPTSTK	SBIN	27-NOV-2014	255	CE	1250
OPTSTK	SBIN	27-NOV-2014	255	PE	1250

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	SBIN	27-NOV-2014	2663.25	125

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price#	Market Lot
FUTSTK	SBIN	27-NOV-2014	266.35	1250

If the revised strike/futures prices and the lot size on account of adjustment appear in decimal places, the strike/futures prices shall be rounded off to the nearest tick size and the lot size shall be rounded off to the nearest integer.

The figure is only an indicative value for the purpose of example.