

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

Download Ref No : NSE/FAOP/27181

Date : July 21, 2014

Circular Ref. No : 053/2014

All Members,

Adjustment of Futures and Options contracts in the security AXISBANK

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

Axis Bank Limited has informed the Exchange that it has fixed July 30, 2014 as the Record Date for the sub-division of the nominal face value of the equity shares of the company from Rs.10 to Rs.2 per equity share. Hence each shareholder would be entitled to receive 5 Equity Shares of Rs.2 each for every 1 Equity Share of Rs.10 each of the Company.

Symbol : AXISBANK
Stock split ratio : 10:2
Ex-date : July 28, 2014

Adjustment factor:

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of AXISBANK, the adjustment factor is $(10/2) = 5$, since the split ratio is 10:2.

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 July 28, 2014.

Members are advised to load the updated contract.gz file in the trading application before trading on July 28, 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 July 25, 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	AXISBANK	31-JUL-2014	2000	CE	250
OPTSTK	AXISBANK	31-JUL-2014	2000	PE	250
OPTSTK	AXISBANK	31-JUL-2014	2050	CE	250
OPTSTK	AXISBANK	31-JUL-2014	2050	PE	250

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	AXISBANK	31-JUL-2014	400	CE	1250
OPTSTK	AXISBANK	31-JUL-2014	400	PE	1250
OPTSTK	AXISBANK	31-JUL-2014	410	CE	1250
OPTSTK	AXISBANK	31-JUL-2014	410	PE	1250

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price**	Market Lot
FUTSTK	AXISBANK	31-JUL-2014	2005.10	250

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price#	Market Lot
FUTSTK	AXISBANK	31-JUL-2014	401.00	1250

The revised strike/futures prices and the lot size on account of adjustment would 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.