

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

Download Ref No : NSE/FAOP/30699

Date : September 07, 2015

Circular Ref. No : 085/2015

All Members,

Adjustment of Futures and Options contracts in the security BEL

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

Bharat Electronics Limited has informed the Exchange that the Company has fixed Record Date as September 15, 2015 for the purpose of Allotment of Bonus Shares in the ratio 2:1, i.e. two equity shares for every one, equity share held.

Symbol : BEL
Bonus issue ratio : 2:1
Ex-Date : September 14, 2015

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of BEL, the adjustment factor is $(2+1)/1 = 3$, since the bonus issue ratio is 2:1.

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.

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.

Market lot for September 2015 and October 2015 expiries will have a revised lot of 375**Market lot for November 2015 expiry and onwards will have a revised lot of 450**

An example of the adjustments described above is given in Annexure 1.

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

The above changes shall be effective from September 14, 2015.

Members are advised to load the updated contract.gz file in the trading application before trading on September 14, 2015. This file can be obtained from the directory faoftp/faocommon on the Extranet server.

The details of the revised option strike prices, futures prices, lot size and quantity freeze limit will be informed to members separately on September 11, 2015.

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

**Khushal Shah
Chief Manager**

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Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	BEL	24-SEP-2015	3000	CE	125
OPTSTK	BEL	24-SEP -2015	3000	PE	125
OPTSTK	BEL	26-NOV-2015	3150	CE	150
OPTSTK	BEL	26-NOV -2015	3150	PE	150

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	BEL	24-SEP-2015	1000	CE	375
OPTSTK	BEL	24-SEP -2015	1000	PE	375
OPTSTK	BEL	26-NOV-2015	1050	CE	450
OPTSTK	BEL	26-NOV -2015	1050	PE	450

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	BEL	24-SEP-2015	3236.85	125
FUTSTK	BEL	26-NOV-2015	3285.25	150

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	BEL	24-SEP-2015	1078.95	375
FUTSTK	BEL	26-NOV-2015	1095.10	450

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.