NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : FUTURES & OPTIONS

Download Ref No : NSE/FAOP/36110	Date : October 13, 2017
Circular Ref. No : 116/2017	

All Members,

Adjustment of Futures and Options contracts in the security IGL

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

Indraprastha Gas Limited has informed the Exchange that the Board of Directors of the Company at its meeting held on August 11, 2017 has approved the sub-division of exiting one Equity Share of Rs.10/- each into five equity shares of Rs 2/- each subject to approval of members at the Annual General Meeting of the Company. Further, the company has fixed record date as November 10, 2017 for the purpose of Sub-Division/ Split of equity shares.

Symbol   : IGL
Stock split ratio : 5:1
Ex-date   : November 9, 2017

Adjustment factor:
Adjustment factor for Stock split of A: B is defined as (A/B). In the case of IGL, the adjustment factor is (5/1) = 5, since the split ratio is 5:1.

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 **2750.**

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 **2750.**

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 9, 2017.

Members are advised to load the updated contract.gz file in the trading application before trading on November 9, 2017. 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 8, 2017.

For and on behalf of
National Stock Exchange of India Limited

Abhijeet Sontakke
Senior Manager

Toll Free No	Fax No	Email id
1800-266-0053	+91-22-26598155	msm@nse.co.in

Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	IGL	30-NOV-2017	1540	CE	550
OPTSTK	IGL	30-NOV-2017	1540	PE	550
OPTSTK	IGL	30-NOV-2017	1550	CE	550
OPTSTK	IGL	30-NOV-2017	1550	PE	550

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	IGL	30-NOV-2017	308	CE	2750
OPTSTK	IGL	30-NOV-2017	308	PE	2750
OPTSTK	IGL	30-NOV-2017	310	CE	2750
OPTSTK	IGL	30-NOV-2017	310	PE	2750

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	IGL	30-NOV-2017	1527.35	550

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price#	Market Lot
FUTSTK	IGL	30-NOV-2017	305.45	2750

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.