

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

Download Ref No : NSE/FAOP/32916

Date : August 03, 2016

Circular Ref. No : 65/2016

All Members,

Adjustment of Futures and Options contracts in the security HINDPETRO

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

Hindustan Petroleum Corporation Limited has informed the Exchange that the Company has fixed Record Date as September 15, 2016 to ascertain the Members entitled to receive Bonus Equity Shares of the Company.

Symbol : HINDPETRO
Bonus issue ratio : 2:1
Ex-Date : September 14, 2016

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of HINDPETRO, 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. The revised market lot would be **2100**.

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 **2100**.

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, 2016.

Members are advised to load the updated contract.gz file in the trading application before trading on September 14, 2016. 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 12, 2016.

**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	HINDPETRO	29-SEP-2016	600	CE	700
OPTSTK	HINDPETRO	29-SEP-2016	600	PE	700
OPTSTK	HINDPETRO	29-SEP-2016	900	CE	700
OPTSTK	HINDPETRO	29-SEP-2016	900	PE	700

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	HINDPETRO	29-SEP-2016	200	CE	2100
OPTSTK	HINDPETRO	29-SEP-2016	200	PE	2100
OPTSTK	HINDPETRO	29-SEP-2016	300	CE	2100
OPTSTK	HINDPETRO	29-SEP-2016	300	PE	2100

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	HINDPETRO	29-SEP-2016	1200	700

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	HINDPETRO	29-SEP-2016	400	2100

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.