

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

Download Ref No : NSE/FAOP/32984

Date : August 12, 2016

Circular Ref. No : 67/2016

All Members,

Adjustment of Futures and Options contracts in the security PFC

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

Power Finance Corporation Limited has informed the Exchange that the Company has fixed Record Date as August 29, 2016 to ascertain the Members entitled to receive Bonus Equity Shares of the Company.

Symbol : PFC
Bonus issue ratio : 1:1
Ex-Date : August 26, 2016

Adjustment factor:

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

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 **6000**.

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 **6000**.

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 August 26, 2016.

Members are advised to load the updated contract.gz file in the trading application before trading on August 26, 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 August 25, 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	PFC	29-SEP-2016	100	CE	3000
OPTSTK	PFC	29-SEP-2016	100	PE	3000
OPTSTK	PFC	29-SEP-2016	200	CE	3000
OPTSTK	PFC	29-SEP-2016	200	PE	3000

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	PFC	29-SEP-2016	50	CE	6000
OPTSTK	PFC	29-SEP-2016	50	PE	6000
OPTSTK	PFC	29-SEP-2016	100	CE	6000
OPTSTK	PFC	29-SEP-2016	100	PE	6000

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	PFC	29-SEP-2016	218.50	3000

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	PFC	29-SEP-2016	109.25	6000

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.