

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

Download Ref No : NSE/FAOP/33290

Date : September 28, 2016

Circular Ref. No : 81/2016

All Members,

Adjustment of Futures and Options contracts in the security GRASIM

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

Grasim Industries Limited has informed the Exchange that the Company has fixed Record Date as October 08, 2016 for the purpose of sub-division of the face value of the Equity Shares of the Company, from one equity share of face value of Rs.10/-, fully paid up into 5 equity shares of Rs.2/- each, fully paid up.

Symbol : GRASIM
Stock split ratio : 10:2
Ex-date : October 06, 2016

Adjustment factor:

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of GRASIM, 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 **750**.

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 **750**

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 October 06, 2016.

Members are advised to load the updated contract.gz file in the trading application before trading on October 06, 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 and quantity freeze limit will be informed to members separately on October 05, 2016.

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

**Abhijeet Sontakke
Senior Manager**

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Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	GRASIM	27-OCT-2016	4800	CE	150
OPTSTK	GRASIM	27-OCT-2016	4800	PE	150
OPTSTK	GRASIM	24-NOV-2016	4900	CE	150
OPTSTK	GRASIM	24-NOV-2016	4900	PE	150

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	GRASIM	27-OCT-2016	960	CE	750
OPTSTK	GRASIM	27-OCT-2016	960	PE	750
OPTSTK	GRASIM	24-NOV-2016	980	CE	750
OPTSTK	GRASIM	24-NOV-2016	980	PE	750

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	GRASIM	27-OCT-2016	4869.10	150
FUTSTK	GRASIM	24-NOV-2016	4882.40	150

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price#	Market Lot
FUTSTK	GRASIM	27-OCT-2016	973.85	750
FUTSTK	GRASIM	24-NOV-2016	976.50	750

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.