

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

Download Ref No : NSE/FAOP/33381

Date : October 07, 2016

Circular Ref. No : 88/2016

All Members,

**Adjustment of Futures and Options contracts in the security IOC**

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

Indian Oil Corporation Limited has informed the Exchange that the Company has fixed Record Date as October 19, 2016 for the purpose of Bonus Shares.

Symbol : IOC  
Bonus issue ratio : 1:1  
Ex-Date : October 18, 2016

**Adjustment factor:**

Adjustment factor for Bonus issue of A: B is defined as  $(A+B)/B$ . In the case of IOC, 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 **3000**.

**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 **3000**.

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: October 18, 2016.

Members are advised to load the updated contract.gz file in the trading application before trading on October 18, 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: October 17, 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	IOC	27-OCT-2016	640	CE	1500
OPTSTK	IOC	27-OCT-2016	640	PE	1500
OPTSTK	IOC	27-OCT-2016	650	CE	1500
OPTSTK	IOC	27-OCT-2016	650	PE	1500

### Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	IOC	27-OCT-2016	320	CE	3000
OPTSTK	IOC	27-OCT-2016	320	PE	3000
OPTSTK	IOC	27-OCT-2016	325	CE	3000
OPTSTK	IOC	27-OCT-2016	325	PE	3000

### Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	IOC	27-OCT-2016	649.30	1500

### Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	IOC	27-OCT-2016	324.65	3000

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.