

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

Download Ref No : NSE/FAOP/35236

Date : June 29, 2017

Circular Ref. No : 67/2017

All Members,

Adjustment of Futures and Options contracts in the security MOTHERSUMI

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

Motherson Sumi Systems Limited has informed the Exchange that the Board of Directors of the Company at its meeting held on May 19, 2017, has recommended the issue of Bonus Shares in the ratio of 1 (one) Bonus Shares against the 2 (two) existing shares subject to the approval of the shareholders. Further, the company has informed the Exchange that the Register of Members and Share Transfer Books shall remain closed on July 07, 2017 (single day) for the purpose of issuance of Bonus Shares as approved by the shareholders of the Company through Postal Ballot, result declared on June 27, 2017.

Symbol : MOTHERSUMI
Bonus issue ratio : 1:2
Ex-Date : July 05, 2017

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of MOTHERSUMI, the adjustment factor is $(1+2)/2 = 1.5$, since the bonus issue ratio is 1:2.

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 **3750**.

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 **3750**.

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 July 05, 2017.

Members are advised to load the updated contract.gz file in the trading application before trading on July 05, 2017. This file can be obtained from the directory faoftp/faocommon on the Extranet server.

The details of the revised option strike prices, lot size and quantity freeze limit will be informed to members separately on July 04, 2017.

**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	MOTHERSUMI	27-JUL-2017	470.00	CE	2500
OPTSTK	MOTHERSUMI	27-JUL-2017	470.00	PE	2500
OPTSTK	MOTHERSUMI	27-JUL-2017	480.00	CE	2500
OPTSTK	MOTHERSUMI	27-JUL-2017	480.00	PE	2500

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	MOTHERSUMI	27-JUL-2017	313.35	CE	3750
OPTSTK	MOTHERSUMI	27-JUL-2017	313.35	PE	3750
OPTSTK	MOTHERSUMI	27-JUL-2017	320.00	CE	3750
OPTSTK	MOTHERSUMI	27-JUL-2017	320.00	PE	3750

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	MOTHERSUMI	27-JUL-2017	465.60	2500

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	MOTHERSUMI	27-JUL-2017	310.40	3750

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.