

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

Download Ref No : NSE/FAOP/35794

Date : September 13, 2017

Circular Ref. No : 98/2017

All Members,

Adjustment of Futures and Options contracts in the security BHARATFORG

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

Bharat Forge Limited has informed the Exchange that the Board of Directors at its meeting held on August 10, 2017, have considered and approved bonus at the ratio of 1 : 1, i.e 1 Equity Shares for every 1 Equity Shares held. Further, the company has fixed Record Date as September 30, 2017 for the purpose of bonus equity share.

Symbol : BHARATFORG
Bonus issue ratio : 1:1
Ex-Date : September 28, 2017

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of BHARATFORG, 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 **1200**.

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 **1200**.

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 28, 2017.

Members are advised to load the updated contract.gz file in the trading application before trading on September 28, 2017. 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 27, 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 | BHARATFORG | 28-SEP-2017 | 1220 | CE | 600 |
| OPTSTK | BHARATFORG | 28-SEP-2017 | 1220 | PE | 600 |
| OPTSTK | BHARATFORG | 28-SEP-2017 | 1240 | CE | 600 |
| OPTSTK | BHARATFORG | 28-SEP-2017 | 1240 | PE | 600 |

Options contracts after adjustment:

| Instrument | Symbol | Expiry date | Strike | Type | Market Lot |
|------------|------------|-------------|--------|------|------------|
| OPTSTK | BHARATFORG | 28-SEP-2017 | 610 | CE | 1200 |
| OPTSTK | BHARATFORG | 28-SEP-2017 | 610 | PE | 1200 |
| OPTSTK | BHARATFORG | 28-SEP-2017 | 620 | CE | 1200 |
| OPTSTK | BHARATFORG | 28-SEP-2017 | 620 | PE | 1200 |

Futures contract before adjustment:

| Instrument | Symbol | Expiry date | Futures Base Price | Market Lot |
|------------|------------|-------------|--------------------|------------|
| FUTSTK | BHARATFORG | 28-SEP-2017 | 1226.35 | 600 |

Futures contract after adjustment:

| Instrument | Symbol | Expiry date | Futures Base Price# | Market Lot |
|------------|------------|-------------|---------------------|------------|
| FUTSTK | BHARATFORG | 28-SEP-2017 | 613.15 | 1200 |

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.