

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

Download Ref No : NSE/FAOP/36432

Date : December 05, 2017

Circular Ref. No : 127/2017

All Members,

Adjustment of Futures and Options contracts in the security CASTROLIND

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

Castrol India Limited has informed the Exchange that the Board of Directors at its meeting held on November 07, 2017 have considered and approved bonus at the ratio of 1 (one) bonus equity share of Rs. 5/- each fully paid up for every 1 (one) existing equity share of Rs. 5/- each fully paid up (i.e. in the ratio 1:1). Further, the company has fixed Record Date as December 23, 2017 for the purpose of bonus equity share

Symbol : CASTROLIND
Bonus issue ratio : 1:1
Ex-Date : December 21, 2017

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of CASTROLIND, 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 **2800**.

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 **2800**.

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 December 21, 2017.

Members are advised to load the updated contract.gz file in the trading application before trading on December 21, 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 December 20, 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	CASTROLIND	28-DEC-2017	400	CE	1400
OPTSTK	CASTROLIND	28-DEC-2017	400	PE	1400
OPTSTK	CASTROLIND	28-DEC-2017	410	CE	1400
OPTSTK	CASTROLIND	28-DEC-2017	410	PE	1400

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	CASTROLIND	28-DEC-2017	200	CE	2800
OPTSTK	CASTROLIND	28-DEC-2017	200	PE	2800
OPTSTK	CASTROLIND	28-DEC-2017	205	CE	2800
OPTSTK	CASTROLIND	28-DEC-2017	205	PE	2800

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	CASTROLIND	28-DEC-2017	396.70	1400

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	CASTROLIND	28-DEC-2017	198.35	2800

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.