

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

Download Ref No : NSE/FAOP/37820

Date : May 23, 2018

Circular Ref. No : 44/2018

All Members,

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

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

Tata Consultancy Services Limited has informed the Exchange that the Board of Directors at its meeting held on April 19, 2018, have considered and approved bonus at the ratio of 1:1, i.e. 1 Equity Share for every 1 Equity Share held. Further, the Company has fixed Record Date as June 02, 2018 for the purpose of Bonus Shares.

Symbol : TCS  
Bonus issue ratio : 1:1  
Ex-Date : May 31, 2018

**Adjustment factor:**

Adjustment factor for Bonus issue of A: B is defined as  $(A+B)/B$ . In the case of TCS, 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 **500**.

**Adjustments for Futures Contracts:**

1. Futures base price: The adjusted futures base 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 **500**.

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 May 31, 2018.

Members are advised to load the updated contract.gz file in the trading application before trading on May 31, 2018. 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 May 30, 2018.

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

**Khushal Shah  
Associate Vice President**

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## Annexure-1

### Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	TCS	31-MAY-2018	3500.00	CE	250
OPTSTK	TCS	31-MAY-2018	3500.00	PE	250
OPTSTK	TCS	31-MAY-2018	3550.00	CE	250
OPTSTK	TCS	31-MAY-2018	3550.00	PE	250

### Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	TCS	31-MAY-2018	1750.00	CE	500
OPTSTK	TCS	31-MAY-2018	1750.00	PE	500
OPTSTK	TCS	31-MAY-2018	1775.00	CE	500
OPTSTK	TCS	31-MAY-2018	1775.00	PE	500

### Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	TCS	31-MAY-2018	3497.20	250

### Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	TCS	31-MAY-2018	1748.60	500

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.