

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

Download Ref No : NSE/FAOP/37978

Date : June 08, 2018

Circular Ref. No : 52/2018

All Members,

Adjustment of Futures and Options contracts in the security MCDOWELL-N

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

United Spirits Limited has informed the Exchange that the Company has fixed Record Date as June 18, 2018 for the purpose of Sub-division of 1 equity shares of face value of Rs.10/- per equity shares into 5 equity shares of face value of Rs.2/- per equity share subject to approval by the shareholders of the Company by way of special resolution.

Symbol : MCDOWELL-N
Stock split ratio : 5:1
Ex-date : June 15, 2018

Adjustment factor:

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of MCDOWELL-N, the adjustment factor is $(5/1) = 5$, since the split ratio is 5:1.

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 **1250**.

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 **1250**.

An example for deriving the adjustment factor, revised strike /futures base price and lot size is given in Annexure-1

The methodology for position adjustments shall be separately intimated by NSCCL.

The above changes shall be effective from June 15, 2018.

Members are advised to load the updated contract.gz file in the trading application before trading on June 15, 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 and quantity freeze limit will be informed to members separately on June 14, 2018.

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

**Abhijeet Sontakke
Chief Manager**

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Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	MCDOWELL-N	28-JUN-2018	3400.00	CE	250
OPTSTK	MCDOWELL-N	28-JUN-2018	3400.00	PE	250
OPTSTK	MCDOWELL-N	28-JUN-2018	3500.00	CE	250
OPTSTK	MCDOWELL-N	28-JUN-2018	3500.00	PE	250

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	MCDOWELL-N	28-JUN-2018	680.00	CE	1250
OPTSTK	MCDOWELL-N	28-JUN-2018	680.00	PE	1250
OPTSTK	MCDOWELL-N	28-JUN-2018	700.00	CE	1250
OPTSTK	MCDOWELL-N	28-JUN-2018	700.00	PE	1250

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	MCDOWELL-N	28-JUN-2018	3364.40	250

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price#	Market Lot
FUTSTK	MCDOWELL-N	28-JUN-2018	672.90	1250

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.