

**National Stock Exchange Of India Limited**

Department : FUTURES &amp; OPTIONS

Download Ref No: NSE/FAOP/41201

Date : 03 June, 2019

Circular Ref. No: 68/2019

All Members,

## Adjustment of Futures and Options contracts in the security BIOCON

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

Biocon Limited has informed the Exchange that Board of Directors at its meeting held on April 25, 2019 has recommended the issue of Bonus shares by Capitalisation of free reserves in the ration of 1:1 i.e. 1(one) bonus equity share of Rs. 5/- each fully paid up for every 1(One) existing equity share of Rs. 5/-each. Further the company has informed the Exchange that the Company has fixed Record Date as June 13, 2019 for the purpose of Issue of Bonus Shares.

Symbol : BIOCON  
Bonus issue ratio : 1:1  
Ex-Date : June 12, 2019

## Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as  $(A+B)/B$ . In the case of BIOCON, 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 1800.

## 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 1800.

An example of the adjustments described above is given in Annexure 1.

The methodology for position adjustments shall be separately intimated by NSE Clearing.

The above changes shall be effective from June 12, 2019.

Members are advised to load the updated contract.gz file in the trading application before trading on June 12, 2019. 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 June 11, 2019.

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     | BIOCON | 27-JUN-2019 | 550.00 | CE   | 900        |
| OPTSTK     | BIOCON | 27-JUN-2019 | 550.00 | PE   | 900        |
| OPTSTK     | BIOCON | 25-JUL-2019 | 560.00 | CE   | 900        |
| OPTSTK     | BIOCON | 25-JUL-2019 | 560.00 | PE   | 900        |

Options contracts after adjustment:

| Instrument | Symbol | Expiry date | Strike | Type | Market Lot |
|------------|--------|-------------|--------|------|------------|
| OPTSTK     | BIOCON | 27-JUN-2019 | 275.00 | CE   | 1800       |
| OPTSTK     | BIOCON | 27-JUN-2019 | 275.00 | PE   | 1800       |
| OPTSTK     | BIOCON | 25-JUL-2019 | 280.00 | CE   | 1800       |
| OPTSTK     | BIOCON | 25-JUL-2019 | 280.00 | PE   | 1800       |

Futures contract before adjustment:

| Instrument | Symbol | Expiry date | Futures Base Price | Market Lot |
|------------|--------|-------------|--------------------|------------|
| FUTSTK     | BIOCON | 27-JUN-2019 | 543.05             | 900        |

Futures contract after adjustment:

| Instrument | Symbol | Expiry date | Futures Base Price# | Market Lot |
|------------|--------|-------------|---------------------|------------|
| FUTSTK     | BIOCON | 27-JUN-2019 | 271.50              | 1800       |

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.