

**National Stock Exchange Of India Limited****Department : FUTURES & OPTIONS**

Download Ref No: NSE/FAOP/ 41231

Date : June 06, 2019

Circular Ref. No: 69/2019

All Members,

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

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

Cholamandalam Investment and Finance Company Limited has informed the Exchange that the Board of Directors at its meeting held on April 27, 2019, has considered and approved subdivision of equity share of face value of Rs. 10/- (Rupees Ten only) fully paid up into equity shares of face value of Rs.2/- (Rupees Two only) each. Further the Company has fixed Record Date as June 17, 2019 for the purpose of Subdivision of shares

Symbol :CHOLAFIN  
Stock split ratio : 5:1  
Ex-date : June 14, 2019

**Adjustment factor:**

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of CHOLAFIN, 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 **2500**.

**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 **2500**.

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 14, 2019.

Members are advised to load the updated contract.gz file in the trading application before trading on June 14, 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 and quantity freeze limit will be informed to members separately on June 13, 2019.

**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:**

<b>Instrument</b>	<b>Symbol</b>	<b>Expiry date</b>	<b>Strike</b>	<b>Type</b>	<b>Market Lot</b>
OPTSTK	CHOLAFIN	27-JUN-2019	1460.00	CE	500
OPTSTK	CHOLAFIN	27-JUN-2019	1480.00	PE	500
OPTSTK	CHOLAFIN	25-JUL-2019	1460.00	CE	500
OPTSTK	CHOLAFIN	25-JUL-2019	1480.00	PE	500

**Options contracts after adjustment:**

<b>Instrument</b>	<b>Symbol</b>	<b>Expiry date</b>	<b>Strike</b>	<b>Type</b>	<b>Market Lot</b>
OPTSTK	CHOLAFIN	27-JUN-2019	292.00	CE	2500
OPTSTK	CHOLAFIN	27-JUN-2019	296.00	PE	2500
OPTSTK	CHOLAFIN	25-JUL-2019	292.00	CE	2500
OPTSTK	CHOLAFIN	25-JUL-2019	296.00	PE	2500

**Futures contract before adjustment:**

<b>Instrument</b>	<b>Symbol</b>	<b>Expiry date</b>	<b>Future Base price</b>	<b>Market Lot</b>
FUTSTK	CHOLAFIN	27-JUN-2019	1529.60	500

**Futures contract after adjustment:**

<b>Instrument</b>	<b>Symbol</b>	<b>Expiry date</b>	<b>Future Base price#</b>	<b>Market Lot</b>
FUTSTK	CHOLAFIN	27-JUN-2019	305.90	2500

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.