

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

Download Ref No : NSE/FAOP/33107

Date : August 31, 2016

Circular Ref. No : 72/2016

All Members,

Adjustment of Futures and Options contracts in the security BAJFINANCE

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

Bajaj Finance Limited has informed the Exchange that the Company has fixed Record Date as September 10, 2016 for the purpose of equity shares of face value of Rs. 2 each upon sub-division of equity shares of the Company of face value of Rs. 10 each, and fully paid up bonus equity shares of face value of Rs. 2 each in the proportion of one bonus equity share for every one equity share of face value of Rs. 2 (i.e. as adjusted for sub-division of equity shares).

Symbol : BAJFINANCE
Bonus issue ratio : 1:1
Stock split ratio : 10:2
Ex-Date : September 8, 2016

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of BAJFINANCE, the adjustment factor is $(1+1)/1 = 2$, since the bonus issue ratio is 1:1.

Adjustment factor for Split of shares of A: B is defined as A/B . In the case of BAJFINANCE the adjustment factor is $10/2 = 5$, since the split ratio is 10:2.

Therefore the final adjustment factor for the Bonus and Split in the security in the above ratios will be: $2 \times 5 = 10$.

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 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 September 08, 2016.

Members are advised to load the updated contract.gz file in the trading application before trading on September 08, 2016. 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 September 07, 2016.

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

**Khushal Shah
Chief Manager**

Toll Free No	Fax No	Email id
1800-266-00-53	+91-22-26598551	msm@nse.co.in

Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	BAJFINANCE	29-SEP-2016	11000	CE	125
OPTSTK	BAJFINANCE	29-SEP-2016	11000	PE	125
OPTSTK	BAJFINANCE	29-SEP-2016	11200	CE	125
OPTSTK	BAJFINANCE	29-SEP-2016	11200	PE	125

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	BAJFINANCE	29-SEP-2016	1100	CE	1250
OPTSTK	BAJFINANCE	29-SEP-2016	1100	PE	1250
OPTSTK	BAJFINANCE	29-SEP-2016	1120	CE	1250
OPTSTK	BAJFINANCE	29-SEP-2016	1120	PE	1250

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	BAJFINANCE	29-SEP-2016	10801.30	125

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	BAJFINANCE	29-SEP-2016	1080.15	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.