

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

Download Ref No : NSE/FAOP/33866

Date : December 22, 2016

Circular Ref. No : 113/2016

All Members,

Adjustment of Futures and Options contracts in the security JSWSTEEL

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

JSW Steel Limited has informed the Exchange that the Board of Directors at its meeting held on October 27, 2016 has approved the sub-division of each of the Equity Shares of the Company having a face value of Rs.10/- (Rupees Ten only) into 10 (Ten) Equity Shares having a face value of Re.1/- (Rupee One only) each. Further, the company has informed the Exchange it has fixed Record Date as January 05, 2017 for the purpose of Record date for sub-division of equity shares.

Symbol : JSWSTEEL
Stock split ratio : 10:1
Ex-date : January 04, 2017

Adjustment factor:

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of JSWSTEEL, the adjustment factor is $(10/1) = 10$, since the split ratio is 10:1.

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 **3000**.

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 **3000**.

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 January 04, 2017.

Members are advised to load the updated contract.gz file in the trading application before trading on January 04, 2017. 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 January 03, 2017.

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

**Khushal Shah
Chief Manager**

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Annexure-1

Option contracts before adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	JSWSTEEL	29-DEC-2016	1550	CE	300
OPTSTK	JSWSTEEL	29-DEC-2016	1550	PE	300
OPTSTK	JSWSTEEL	29-DEC-2016	1600	CE	300
OPTSTK	JSWSTEEL	29-DEC-2016	1600	PE	300

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	JSWSTEEL	29-DEC-2016	155	CE	3000
OPTSTK	JSWSTEEL	29-DEC-2016	155	PE	3000
OPTSTK	JSWSTEEL	29-DEC-2016	160	CE	3000
OPTSTK	JSWSTEEL	29-DEC-2016	160	PE	3000

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	JSWSTEEL	29-DEC-2016	1591.50	300
FUTSTK	JSWSTEEL	25-JAN-2017	1598.15	300

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price#	Market Lot
FUTSTK	JSWSTEEL	29-DEC-2016	159.15	3000
FUTSTK	JSWSTEEL	25-JAN-2017	159.80	3000

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.