

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

Download Ref No : NSE/FAOP/33755

Date : December 06, 2016

Circular Ref. No : 105/2016

All Members,

Adjustment of Futures and Options contracts in the security ONGC

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

Oil & Natural Gas Corporation Limited has informed the Exchange that the Company has fixed December 16, 2016 as Record date for the purpose of ascertaining the eligibility of shareholders for issuance of Bonus shares in the ratio of 1 (One) new equity bonus share of Rs.5/- each for every 2 (two) existing equity shares of Rs.5/- each held, subject to the approval of shareholders through postal ballot.

Symbol : ONGC
Bonus issue ratio : 1:2
Ex-Date : December 15, 2016

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as $(A+B)/B$. In the case of ONGC, the adjustment factor is $(1+2)/2 = 1.5$, since the bonus issue ratio is 1:2.

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 **3750**.

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 **3750**.

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: December 15, 2016.

Members are advised to load the updated contract.gz file in the trading application before trading on December 15, 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: December 14, 2016.

**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	ONGC	29-DEC-2016	300	CE	2500
OPTSTK	ONGC	29-DEC-2016	300	PE	2500
OPTSTK	ONGC	29-DEC-2016	315	CE	2500
OPTSTK	ONGC	29-DEC-2016	315	PE	2500

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	ONGC	29-DEC-2016	200	CE	3750
OPTSTK	ONGC	29-DEC-2016	200	PE	3750
OPTSTK	ONGC	29-DEC-2016	210	CE	3750
OPTSTK	ONGC	29-DEC-2016	210	PE	3750

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	ONGC	29-DEC-2016	295.95	2500

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	ONGC	29-DEC-2016	197.30	3750

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.