

# National Stock Exchange of India Limited

## Circular

Department: FUTURES & OPTIONS	
Download Ref No: NSE/FAOP/50384	Date: November 23, 2021
Circular Ref. No: 91/2021	

All Members,

Adjustment of Futures and Options contracts in the security IEX

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

INDIAN ENERGY EXCHANGE LIMITED has informed the Exchange that the Board of Directors in its meeting held on October 21, 2021 has inter-alia considered and approved issue of Bonus Shares in the ratio of 2:1 i.e. 2 (two) bonus equity shares of Re. 1/- each for every 1(one) existing equity share of Re. 1/- each, subject to approval of the shareholders. Further, the Company has fixed Record Date as December 06, 2021 for the purpose of Bonus Shares.

Symbol : IEX  
Bonus issue ratio : 2:1  
Ex-Date : December 03, 2021

Adjustment factor:

Adjustment factor for Bonus issue of A: B is defined as  $(A+B)/B$ . In the case of INDIAN ENERGY EXCHANGE LIMITED, the adjustment factor is  $(2+1)/1 = 3$  since the bonus issue ratio is 2:1.

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 3750.

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.

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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 NSE Clearing.

The above changes shall be effective from December 03, 2021.

Members are advised to load the updated contract.gz file in the trading application before trading on December 03, 2021. 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 02, 2021.

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:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	IEX	25-NOV-2021	790	CE	1250
OPTSTK	IEX	25-NOV-2021	790	PE	1250
OPTSTK	IEX	30-DEC-2021	800	CE	1250
OPTSTK	IEX	30-DEC-2021	800	PE	1250

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	IEX	25-NOV-2021	263.35	CE	3750
OPTSTK	IEX	25-NOV-2021	263.35	PE	3750
OPTSTK	IEX	30-DEC-2021	266.65	CE	3750
OPTSTK	IEX	30-DEC-2021	266.65	PE	3750

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	IEX	25-NOV-2021	770.70	1250

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	IEX	25-NOV-2021	256.90	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.