

# National Stock Exchange of India Limited

## Circular

Department: FUTURES & OPTIONS	
Download Ref No: NSE/FAOP/52953	Date: July 12, 2022
Circular Ref. No: 73/2022	

All Members,

### Adjustment of Futures and Options contracts in the security TATASTEEL

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

TATA STEEL LIMITED has informed the Exchange that the Board of Directors at its meeting held on May 03, 2022, for the purpose of sub-division /split of each fully paid-up Ordinary (equity) share having face value Rs. 10/- (Rupees Ten only) each, into ten (10) fully paid-up Ordinary (equity) share having face value Re. 1/- (Rupee One only) each. Further the Company has fixed Record Date as July 29, 2022, for the purpose of Subdivision of shares.

Symbol : TATASTEEL  
Stock split ratio : 10:1  
Ex-date : July 28, 2022

#### Adjustment factor:

Adjustment factor for Stock split of A: B is defined as (A/B). In the case of TATASTEEL, 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 4250.

#### 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 4250.

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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 respective Clearing Corporation.

The above changes shall be effective from July 28, 2022.

Members are advised to load the updated contract.gz file in the trading application before trading on July 28, 2022. 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 July 27, 2022.

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	TATASTEEL	28-Jul-22	900.00	CE	425
OPTSTK	TATASTEEL	28-Jul-22	900.00	PE	425
OPTSTK	TATASTEEL	25-Aug-22	920.00	CE	425
OPTSTK	TATASTEEL	25-Aug-22	920.00	PE	425

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	TATASTEEL	28-Jul-22	90.00	CE	4250
OPTSTK	TATASTEEL	28-Jul-22	90.00	PE	4250
OPTSTK	TATASTEEL	25-Aug-22	92.00	CE	4250
OPTSTK	TATASTEEL	25-Aug-22	92.00	PE	4250

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	TATASTEEL	28-Jul-22	913.30	425

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Future Base price	Market Lot
FUTSTK	TATASTEEL	28-Jul-22	91.35	4250

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.