

National Stock Exchange Of India Limited

Department : FUTURES & OPTIONS

Download Ref No: NSE/FAOP/45923

Date : October 05, 2020

Circular Ref. No: 89/2020

All Members,

Introduction of Quarterly Options contracts on Nifty Bank Index

Exchange is pleased to inform members that with reference to approval received from SEBI, Quarterly Options contracts on Nifty Bank Index shall be made available for trading in Future & Options segment w.e.f. October 30, 2020.

The relevant information about the quarterly options contracts are as given below:

Annexure – 1: Contract Specifications

Annexure – 2: The quarterly options contracts available for trading from October 30, 2020 onwards.

The settlement procedure and details shall be intimated separately by the respective clearing corporations.

Members may note that there is no change in the structure of any of the reports.

The contract.gz file made available to trading members on the NSE Extranet (Path: /faoftp/faocommon) from October 29, 2020 end of day will reflect the new quarterly options contracts. Further, members are advised to load the above file in the trading application before trading on October 30, 2020.

For and on behalf of
National Stock Exchange of India Limited

Khushal Shah
Associate Vice President

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Annexure – 1

Contract Specifications

The Exchange hereby notifies the following for Quarterly Options contracts on BANKNIFTY Index.

Parameters	Options
Underlying Index	NIFTY BANK Index
Symbol	BANKNIFTY
Instrument Type	OPTIDX
Contract Cycle	Three quarterly expiries (March, June, Sept & Dec cycle) within the maximum maturity of 12 months. This is in addition to existing 7 weekly & 3 monthly options contracts on Bank Nifty index.
Expiry Day	Last Thursday of the expiring month. In case the Thursday is a trading holiday, the previous trading day shall be the expiry/last trading day. All contracts shall expire at the normal market closing time on the expiry day or such other time as decided by Exchange.
Option Type	Call European (CE) and Put European (PE)
Strike Scheme	The strike scheme will follow the method for quarterly and half-yearly index options contract. Based on the current index level, the applicable strike scheme will be 5 – 1 – 5 (5 In-the-Money, 1 At-the-Money, 5 Out-of-the-Money)
Strike Interval	The strike scheme will follow the method for quarterly and half-yearly index options contract. Based on the current index level, the applicable strike interval will be 1000.
Lot Size	The lot size of the quarterly contracts will be same as the monthly contracts which is fixed in accordance with the provisions of SEBI circular CIR/MRD/DP/14/2015 dated July 13, 2015. The applicable lot size is 25.
Tick Size	Rs 0.05

Note: All other contract specifications shall be in line with the monthly expiring BANKNIFTY options contracts.

The strike scheme review and discontinuation of illiquid strikes will be applicable for the quarterly index options in Nifty Bank index and the same will be carried out on semi-annual basis i.e. June and December.



Annexure – 2

The following quarterly options contracts shall be available for trading from October 30, 2020 onwards:

SR NO	INSTRUMENT	SYMBOL	EXPIRY DATE
1	OPTIDX	BANKNIFTY	25-Mar-21
2	OPTIDX	BANKNIFTY	24-Jun-21
3	OPTIDX	BANKNIFTY	30-Sep-21