

National Stock Exchange Of India Limited

Department : FUTURES & OPTIONS

Download Ref No: NSE/FAOP/48408

Date : May 26, 2021

Circular Ref. No: 35/2021

All Members,

Adjustment of Futures and Options contracts in the security AARTIIND

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

Aarti Industries Limited has informed the Exchange that the Board of Directors of the Company at its meeting held May 18, 2021 has considered, approved and recommended issue of one Bonus Share for every one equity share held by the equity shareholders of the Company. The bonus issue of equity shares is subject to the approval of the shareholders and any other applicable statutory and regulatory approvals, as may be required. Aarti Industries Limited has further informed the Exchange that the Company has fixed Record Date as June 23, 2021 for the purpose of Bonus Issue

Symbol : AARTIIND
Bonus issue ratio : 1:1
Ex-Date : June 22, 2021

Adjustment factor:

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

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 850.

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.
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 850.

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 June 22, 2021.

Members are advised to load the updated contract.gz file in the trading application before trading on June 22, 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 June 21, 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	AARTIIND	24-JUN-2021	1660.00	CE	425
OPTSTK	AARTIIND	24-JUN-2021	1660.00	PE	425
OPTSTK	AARTIIND	29-JUL-2021	1680.00	CE	425
OPTSTK	AARTIIND	29-JUL-2021	1680.00	PE	425

Options contracts after adjustment:

Instrument	Symbol	Expiry date	Strike	Type	Market Lot
OPTSTK	AARTIIND	24-JUN-2021	830.00	CE	850
OPTSTK	AARTIIND	24-JUN-2021	830.00	PE	850
OPTSTK	AARTIIND	29-JUL-2021	840.00	CE	850
OPTSTK	AARTIIND	29-JUL-2021	840.00	PE	850

Futures contract before adjustment:

Instrument	Symbol	Expiry date	Futures Base Price	Market Lot
FUTSTK	AARTIIND	24-JUN-2021	1670.00	425

Futures contract after adjustment:

Instrument	Symbol	Expiry date	Futures Base Price#	Market Lot
FUTSTK	AARTIIND	24-JUN-2021	835.00	850

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.