



Metropolitan Stock Exchange of India Limited

Department: Market Operations

Segment: Equity Derivatives

Circular No: MSE/TRD/7808/2019

Date : June 24, 2019

Subject: Adjustment of Futures and Options contracts in the security GAIL (India) Limited (GAIL)

To All Members,

In terms of provisions of the Rules, Bye-Laws and Regulations of the Exchange, members of the Exchange are hereby informed that the Board of Directors of GAIL (India) Limited (GAIL) in its meeting held on May 27, 2019 have considered and approved issue of bonus equity shares in the proportion of 1:1, that is 1 (One) bonus equity share of Rs. 10/- each for every 1 (One) fully paid-up equity shares held and a bonus issue subject to shareholders approval. Further, the Company has fixed Record Date as July 10, 2019 for the purpose of Bonus Shares.

In view of the above and in compliance with the SEBI guidelines, the Exchange will make necessary adjustments for all the available Futures & Options contracts in the security GAIL w.e.f. July 09, 2019, being the Ex-date. The adjustments to be made on account of the above corporate action are given below:

Adjustment factor:

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

Adjustments for Futures & Option Contracts:

1. Futures price:

$$\text{Adjusted futures price} = \frac{\text{Old Future price}}{\text{Adjustment factor}}$$

2. Options Strike Price:

$$\text{Adjusted strike price} = \frac{\text{Old Strike price}}{\text{Adjustment factor}}$$

3. Market Lot:

$$\text{Adjusted Market Lot size} = \text{Old market lot size} \times \text{Adjustment factor} = 2667 \times 2 = 5334.$$

4. Open Position:

$$\text{Adjusted Position} = \text{Old position} \times \text{Adjustment factor}.$$

The above changes will be effective from July 09, 2019. Members are requested to take note of the same.

For any clarifications, contact Customer Service on 022-61129010 or send email to customerservice@msei.in.

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

**Shalini Rebeiro
Asst. Vice President**