

Department: Market Operations	Segment: Equity Derivatives
Circular No: MSE/TRD/9006/2020	Date : May 11,2020

Subject: Adjustment of Futures and Options contracts in the security RELIANCE

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, Reliance Industries Limited (RELIANCE) has approved to issue equity shares on rights basis in the ratio of 1:15, i.e. 1 Equity Shares for every 15 Equity Shares held at an issue price of Rs. 1257 per equity share. Further, the company has fixed record date as May 14, 2020 for the purpose of determining the shareholders eligible to apply for the rights issue of the company.

Symbol : RELIANCE
Rights ratio : 01:15
Ex-date : May 13, 2020

An illustration of arriving at the adjustment factor is given below:

Underlying close price on the last cum date (P):	1576.80#
Issue price of the rights (S):	1257
Rights Entitlement (A):	1
Number of Existing shares (B):	15
Total Entitlement (A+B)	16
Benefit per Right Entitlement (C) : $(P - S) \times A$	319.80
Benefits per share (E) : $E = C / (A+B)$	19.9875
Adjustment Factor: $AF = (P-E)/P$	0.987324

The figure is only an indicative value for the purpose of example.

Adjustments for Futures & Option Contracts:

- Futures price:
Adjusted futures price = Old Future price x Adjustment Factor
- Options Strike Price:
Adjusted strike price = Old Strike price x Adjustment Factor

3. Market Lot:

$$\text{Adjusted Market Lot size} = \frac{\text{Old Market Lot Size}}{\text{Adjustment Factor}}$$

The adjusted futures price / strike will be rounded off to the nearest tick size.
The adjusted lot size will be rounded off to the nearest integer.

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

Muhammed Khatri
Asst. Vice President