

CIRCULAR

Circular No.

20240724-2

Circular Date

20240724

Category

Trading Operations

Segment

Derivatives

Subject

Adjustment of Futures and Options contract TATA CONSUMER PRODUCTS LTD on account of Rights Issue

Attachments

- No Attachment



Subject: - Adjustment of Futures and Options contract TATA CONSUMER PRODUCTS LTD on account of Rights Issue

In pursuance of SEBI guidelines for adjustment of Futures & Options Contracts on announcement of corporate action, Members of the Exchange are hereby informed the following:

TATA CONSUMER PRODUCTS LTD (Symbol – TATAGLOBAL) has fixed July 27, 2024, as Record Date for the purpose of Rights entitlement. TATA CONSUMER PRODUCTS LTD has approved Rights issue of 1 Equity share for every 26 Equity Shares held by shareholders in the company as on the record date. Issue price 818 per Equity share.

In view of the above and in compliance with the aforementioned SEBI guidelines, the Exchange shall make the necessary adjustments for all the available Futures & Options contracts on the underlying scrip TATA CONSUMER PRODUCTS LTD (Symbol – TATAGLOBAL) on Thursday July 25, 2024, end of day.

Accordingly, the symbol **TATAGLOBAL** will be available for trading on Thursday July 25, 2024, only till 15:30 hours. The 'ex-date' being, Friday July 26, 2024.

The adjustments to be made on account of the above corporate action in line with SEBI guidelines are given below:

A) Adjustment Factor:

Close Price (P)#	1231.25
Issue Price of rights (S)	818
Rights(A)	1
No of Existing shares (B)	26
Total shares (A+B)	27
Benefit Per Rights (C) = (P-S)*A	413.25
Benefit Per Share(E) = C/(A+B)	15.305556
Adjustment Factor = (P-E)/P	0.987569

The figures are indicative values and are subject to change.

In view of the above, the final adjustment factor for the symbol TATAGLOBAL would be 0.987569

B) Adjustments for Options Contracts:

1. **Strike Price:** The adjusted strike price shall be arrived at by multiplying the old strike price by the adjustment factor (0.987569). The revised strike prices on account of adjustment shall be as shown below (example):

Existing Strike Prices (call/put)	#Revised Strike Prices (call/put)
1020	1007.30
1030	1017.20



2. **Contract Size:** The adjusted contract size shall be arrived at by dividing the old contract size by the adjustment factor (0.987569)

The revised contract size would therefore be as under:

- A. Existing Contract Size – 12 Index Point;
 - B. Adjustment factor – 0.987569
 - C. # Revised Contract Size – $A / B = (12 / 0.987569) = 12.151049$ i.e. 12 Index Point
3. **Position:** The adjusted position shall be arrived at by dividing the old position by the adjustment factor.
 4. **Futures Price:** The adjusted futures price shall be arrived by multiplying the old futures price by the adjustment factor (0.987569). The adjusted futures price shall be rounded off to the nearest tick size.

For any further clarifications, Trading Members are requested to contact their designated Relationship Managers.

For and on behalf of India International Exchange (IFSC) Ltd.,

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