

Futures & Options Segment

December 24, 2019

Circular No. : MCCIL/EDS/1487/2019

Sub: Adjustment of Futures and Options contracts in the security PIRAMAL ENTERPRISES LIMITED (PEL)

In terms of the provisions of the Rules, Bye-Laws and Regulations of the Metropolitan Clearing Corporation of India Limited (MCCIL), SEBI circular reference SMDRP/DC/CIR-8/01 dated June 21, 2001, Circular No. MCX-SX/C&S/F&O/1003/2013 dated February 07, 2013 and Circular No. MSE/TRD/8464/2019 dated December 23, 2019, members are hereby informed the procedure for adjustment of Futures and Options contracts in the underlying security PIRAMAL ENTERPRISES LIMITED (PEL), on account of rights issue. Equity shares on rights basis in the ration of 11:83, i.e. 11 Equity Shares for every 83 Equity Shares held at an issue price of Rs. 1300 per equity share.

The methodology for computation of 'adjustment factor' for the corporate action shall be as given by Circular No. MSE/TRD/8464/2019 dated December 23, 2019.

The following action would be taken by MCCIL in this regard:-

1. Futures Contracts Adjustment: All open positions in Futures contracts with the underlying security as PEL existing after end of day on December 27, 2019 will be adjusted as under:

Positions: The adjusted positions shall be arrived at by multiplying number of contracts in the pre adjusted position by the adjusted market lot. The adjusted market lot shall be as per the Circular No. MSE/TRD/8464/2019 dated December 23, 2019.

Futures Price: Adjusted futures price shall be arrived at by multiplying the settlement price of relevant futures contracts on December 27, 2019 by the 'adjustment factor'.

Adjusted value: The Adjusted carry/forward value shall be computed by multiplying pre adjusted futures positions with pre adjusted settlement price.

Begin of day margins on December 30, 2019 would be computed for the futures contract with underlying as PEL based on the adjusted carry forward value. Subsequently, intra-day margins would be computed based on the relevant traded prices at the time the intra-day span risk parameter files are generated.

Metropolitan Clearing Corporation of India Limited

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2. Options Contracts Adjustment: All open positions in Options contracts with the underlying security as PEL after end of day on December 27, 2019 shall be adjusted as under:

Positions: The adjusted positions shall be arrived at by multiplying number of contracts in the pre adjusted position by the adjusted market lot. The adjusted market lot shall be as per the Circular No. MSE/TRD/8464/2019 dated December 23, 2019.

Members are requested to refer to the Corporate Action Adjustment file to member for details. (File format is as per circular no. MSE/IT/4689/2016 dated November 8, 2016)

For clarifications, members may contact Customer Service on 022-61129010 or send an email at info@mclear.in.

For and on behalf of
Metropolitan Clearing Corporation of India Ltd.

Shweta Bhatt
Manager

Metropolitan Clearing Corporation of India Limited

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