

NOTICES

Notice No.	20220103-8	Notice Date	03 Jan 2022
Category	Corporate Actions	Segment	Derivatives
Subject	Adjustment of Futures and Options Contract of IPCA LABORATORIES LTD on account of Stock Split		
Content			

IPCA LABORATORIES LTD (Scrip Code – 524494) has informed BSE that the Company has fixed January 11, 2022 as the Record Date for the purpose of Sub-division of One Equity Share of Rs. 2 each to Two Equity Shares of Rs. 1 each.

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 **IPCA LABORATORIES LTD** (Derivatives Asset Code – **IPCA**) on end of day on January 07, 2022 the ‘ex-date’ being January 10, 2022. The adjustments to be made on account of the above corporate action in line with SEBI guidelines are given below:

A) Adjustment Factor:

If the ratio of Stock Split is say A:B, the adjustment factor is defined as A/B. The stock split ratio of IPCA is 2:1. Therefore, the adjustment factor for stock split in this case would be $2/1 = 2$.

Therefore, based on the above, the final adjustment factor for the scrip IPCA would be 2.

B) Adjustments for Futures & Options Contracts:

1. **Strike Price:** The adjusted strike price shall be arrived at by dividing the old strike price by the adjustment factor (2). The revised strike prices on account of adjustment shall be as shown below (example):

Existing Strike Prices (call/put)	Revised Strike Prices after dividing by adjustment factor (call/put)
2050	1025
2150	1075
2260	1130
2280	1140
2300	1150

2. **Market Lot:** The adjusted market lot shall be arrived at by multiplying the old market lot by the adjustment factor (2).

The revised market lot would therefore be as under:

Existing Market lot – 225 ; Adjustment factor – 2

Revised market lot after multiplying existing market lot by adjustment factor – $450(225 \times 2)$

3. **Position:** The adjusted position shall be arrived at by multiplying the old position by the adjustment factor.
4. **Futures price:** The adjusted futures price shall be arrived by dividing the old futures price by the adjustment factor (2). 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 & on behalf of BSE Ltd,
Ketan Jantre
Sr.GM – Trading Operations

Sameer Vaze
AGM – Trading Operations