NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : FUTURES & OPTIONS	
Download Ref No : NSE/FAOP/22901	Date : March 07, 2013
Circular Ref. No : 014/2013	

To All Members,

Sub: Revision in Scheme of Strikes in Stock Options

Exchange currently provides stock options contracts in accordance with the scheme of strikes specified in the Exchange's consolidated circular (Download Reference No. NSE/FAOP/20615) dated April 24, 2012.

Exchange is implementing a new scheme of strikes for stock options contracts. The salient features of the new scheme are:

1. The step value applicable for each stock shall be determined based on the volatility of the underlying stock.

2. The step value shall be reviewed and if necessary revised on a quarterly basis.

3. The number of call and put option strikes provided for each underlying shall be a minimum of 5-1-5 subject to a maximum of 10-1-10 strikes. (In the money-At the money-Out of the money)

4. If necessary the Exchange shall also introduce new strike prices intra-day.

5. The new strike scheme shall be applicable from **April 1, 2013** for all stock options contracts across all expiries. The strikes already introduced in April 2013 and May 2013 expiry months shall continue to be available till their respective expiry. The list of stocks and their new strike scheme shall be intimated separately later through a circular.

For and on behalf of
National Stock Exchange of India Limited

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