Date	Books of Buyer(A)			Books of Seller(B)		
	Particulars	Dr	Cr	Particulars	Dr	Cr
	P+160@10 lot Size 100			P-160@10 lot Size 100		
30-09-2012	Margin Payment					
	Not Applicable			Initial Margin(FA)	3000	
				Bank		3000
				(30*100)		
30-09-2012	Premium-Initial Measurement of Options.					
	Put Option(FA)	1000		Bank	1000	
	Bank		1000	Put Option(FL)		1000
	(10*100)			(10*100)		

28-02-2013	Alternative 1.Share Price is Rs 150					
	1.Remeasurement of Options					
	Value Today(160-150)=10.Since option is potentially favourable He will exercise the option. Value recognised Earlier=1000 Value to be Recognised(10*100)-1000=0			Though the holder exercises the option, there is no additional liability for the writer.		
	2. Settlement of options					
	I. Settlement by Delivery of Asset					
	Bank(160*10)	16000		Investments(FV)	15000	
	Investments/bank		15000	Put Option(FL)	1000	

Date	Particulars	Dr		Particulars	Dr	Cr
	Put Option(FA)	1000		Bank		16000
	(if has investment, he will sell it. otherwise he will buy it from market and then sell)			All Financial Assets should be initially measured at Fair Value. Ind AS 109.		
	I. Settlement through net Cash.					
	Bank	1000		Put Option(FL)	1000	
	Put Option(FA)	1000		Bank		1000
28-02-2013	Alternative 2.Share Price is Rs 170					
	1.Remeasurement of Options					
	Value Today=0.Since option is potentially Unfavourable.			Since The actual price is more than exercise price, holder will be better off by		

Value recognised Earlier=1000 Value to be Reversed=1000			directly selling in open market, thus for the writer, no longer any liability exists. Thus the earlier recognition 1000 will be treated as gain. and transferred to p&l.		
Loss(p&l)	1000		Put Option(FL)	1000	
Put Option(FA)		1000	Gain(p&l)		1000
2.Settlement of options					
I. Settlement by Delivery of Asset					
Will not exercise. So No entry			Not Applicable		
II. Settlement through net Cash.					

	Will not exercise. So No entry			Not Applicable		
28-02-2013	Recovery of Initial Margin Paid.					
	Not Applicable			Bank	3000	
				Initial Margin(FA)		3000