

DRC 2015-16/04

DISPUTE RESOLUTION COMMITTEE

- Proceedings of erroneous deal in **091 DTB 20082015**
on
12th June 2015

**FIXED INCOME MONEY MARKET AND DERIVATIVES
ASSOCIATION OF INDIA**

(Prepared by Rohan Sawant)

Procedure followed for settlement of off market trade in 091 DTB 20082015 on NDS-OM dated 12th June, 2015.

The details of actions taken for settlement are as under:

- On 12th June, 2015 FIMMDA was informed by the buyer followed by seller telephonically and subsequently via mail about an erroneous trade in 091 DTB 20082015 at 09:43:03 hrs. The last traded yield for the same security as on 11th June 2015 was at 7.6500%. The seller, a mutual fund wrongly put an offer to sell the above T-BILL for Rs.50 Cr at 8.6300% which was hit by the buyer, a foreign bank.
- As per code of conduct RBI was approached to confirm the counterparties.
- When RBI disclosed the names of the counterparties, it was noticed that the counter parties were same.
- Both the parties were allowed to reverse the trade.
- Accordingly, on the next trading day i.e. 15th June 2015 the deal was reversed and reported on NDS – OM Reporting Deal Section settling on T+1 basis.
- The off-market trade was thus reversed. The loss/gain reserved is Rs.5,55,000.
- The reversal was informed to RBI and DRC members as per code of conduct.