

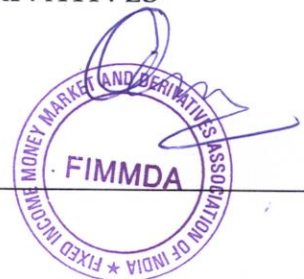
DRC 2016-17/04

**DISPUTE RESOLUTION COMMITTEE**

- Proceedings of erroneous deal in 07.61 GS 2030  
on  
1<sup>st</sup> June 2016

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

(Prepared by Rohan Sawant)



Procedure followed for settlement of off market trade in 07.61 GS 2030 on NDS-OM dated 1<sup>st</sup> June, 2016.

The details of actions taken for settlement are as under:

- On 1<sup>st</sup> June, 2016 FIMMDA was informed by the seller (a private mutual fund institution) telephonically and subsequently via mail, that they have sold 7.61 GS 2030 at price of Rs.98.54/7.7825% for Rs.5 Cr at 09:03:15 hrs which was out of market.
- The above was the first trade in the captioned security. The last traded price in same security as on 31<sup>st</sup> May took place at Rs.99.54/7.6634%. The seller claimed that he wrongly sold the security at the price Rs.98.54 for Rs.5 Cr instead of Rs.99.54
- The matter was referred to DRC members, and the committee members agreed that the deal was erroneous and FIMMDA may seek details of counterparty from RBI.
- As per code of conduct RBI was approached to know the counterparty.
- When RBI disclosed the name of the counterparty, as a co-operative bank.
- Both the parties were advised to reverse the trade.
- Accordingly, on same day 1<sup>st</sup> June 2016 the trade was reversed and reported on NDS - OM Reporting Deal Section.
- The off-market trade was thus reversed. The loss/gain reversed is Rs.5,00,000/-
- The reversal was informed to RBI and DRC members.

