

DRC 2018-19/17

DISPUTE RESOLUTION COMMITTEE

- Proceedings of erroneous deal in 08.12 GS 2020
On
15th Feb 2019



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

(Prepared by Ramandeep Kaur)

Procedure followed for settlement of off market trade in 08.12 GS 2020 on NDS-OM dated 15th Feb 2019

The details of actions taken for settlement are as under:

- On 15th Feb 2019 a Market Participant identified an erroneous deals done in the captioned security at price of Rs.101.42/7.2590 for Rs.25 Cr at 09:25:37 hrs, which was apparently out of market.
- Disputed trade was the First trade in captioned security. Previous traded price was Rs.102.42/6.6778 as on 14th Feb 2019. Succeeding trade took place on 102.36 / 6.7052 at 11:00:56
- The matter was referred to 14 DRC members, the quorum being 6. Seven members agreed that the deal was erroneous and may be reversed. Nobody gave contrary decision.
- As per code of conduct, RBI was approached to know the counterparties.
- RBI disclosed the name of the counterparties as a Public Sector Bank (Buyer) and Foreign Bank (Seller).
- Both the parties were advised to reverse the trade.
- Accordingly, on the same day the trade was reversed and reported on NDS - OM Reporting Deal Section.
- The loss/gain reversed is Rs.25,00,000/-
- The reversal was informed to RBI and DRC members.

