

DRC 2019-20/12

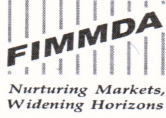
**DISPUTE RESOLUTION COMMITTEE**

- Proceedings of erroneous deal in 06.79 GS 2029  
On  
16<sup>th</sup> Aug 2019



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

(Prepared by Ramandeep Kaur)



FIMMDA: Dispute Resolution Committee

**Procedure followed for settlement of off market trade in 06.79 GS 2029 on NDS-OM dated 16<sup>th</sup> Aug 2019**

The details of actions taken for settlement are as under:

- On 16<sup>th</sup> Aug 2019 FIMMDA was informed of erroneous deal by the buyer (Lakshmi Vilas Bank) via mail. The buyer bought 06.79 GS 2029 at Rs. 100.5050/6.7199% for Rs.5 Cr which was claimed to be out of market.
- Preceding trade took place Rs. 99.70/6.8293%. Succeeding trade took place Rs. 99.70/6.8293%.
- The matter was referred to 14 DRC members, the quorum being 6. Nine 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 counterparty.
- RBI disclosed the name of the counterparties as a Co-operative Bank.
- Both the parties were advised to reverse the trade.
- Accordingly, on 20<sup>th</sup> Aug 2019, the trades were reversed
- The loss/gain reversed is Rs. 4,02,500/-
- The reversal was informed to RBI and DRC members.

