**DISPUTE RESOLUTION COMMITTEE**

**DRC 2024-25 / 01**

* Proceedings of erroneous deal in **07.38 UP SGS 2034**

 **G.Ravindranath**

 **CEO**

# FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION OF INDIA

(Prepared by Mihika Bendarkar)

- 1 -

**Procedure followed for apparent off market trade in 07.38 UP SGS 2034 on NDS-OM dated 5th April 2024 .**

Action taken for settlement of dispute raised is as under:

* On 5th April 2024, FIMMDA was informed by the buyer, telephonically and subsequently via mail of an erroneous trade done by them, claiming apparent off market trade and raising a dispute as per DRC norms.
* Deal Details: The deal was done in 07.38 UP SGS 2034 for 10 crores at Rs. 99.2 / 7.4945 % on NDS-OM on 5th April 2024 at 13:52:34 hrs. and was reported to be *Off Market* by the losing party.
* This was the first trade in the security.
* FBIL closing valuation as on 4th April 2024 was Rs.99.9365 / 7.3881 %
* There were no subsequent trades in the security until 15:45 hrs on 5th April 2024.
* The matter was referred to Dispute Resolution Committee (DRC). Quorum for DRC decision being Six (6).
* Out of the responses received, 8 members (8 /16) (one member of the DRC was not referred to, it being the referring party) had ruled that the trade is eligible for reversal and should be considered as erroneous. There was one contrary decision.
* As per decision of the majority, the trade was considered for reversal and accordingly the matter was conveyed to RBI.
* Upon receiving the necessary counterparty details from RBI, the trade was reversed on 16th April 2024. FBIL was kept informed of the developments.
* The loss / gain reversed was Rs. 7,36,500/-

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