

DRC 2017-18/08

DISPUTE RESOLUTION COMMITTEE

- Proceedings of erroneous deal in 8.13 GS 2022
on
17th Nov 2017



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

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Procedure followed for resolving dispute of off market trade in 8.13 GS 2022 on NDS-OM dated 17th Nov, 2017

The details of actions taken for resolution of the dispute are as under:

- On 17th Nov, 2017 FIMMDA was informed of an erroneous deal by the buyer (a financial institute) telephonically and subsequently via mail. The buyer bought 8.13 GS 2022 at price of Rs.105.40/6.7975% for Rs.5 Cr at 10:48:04 hrs which was claimed to be at out of market price.
- The above is the only trade on NDS-OM Regular market platform. Two trades took place on NDS-OM Reported deal section at price of Rs.104.9287. The captioned security was last traded at a price of Rs.105.37 on 10th Nov 2017 and at Rs.105.30 on 7th Nov 2017.
- The buyer claimed that they wrongly bought the security at the price of Rs.105.40 for Rs.5 Cr as the bid was hit by the outstanding offer. Bid price was not informed.
- The matter was referred to DRC members, and the committee members disagreed that the deal was erroneous and it does not constitute a big figure mistake as the difference is less than Rs.0.70.
- The same was informed to the buyer (a financial institute). That is, the above trade is to be considered as normal trade & is not fit for reversal.