

DRC 2019-20/06

DISPUTE RESOLUTION COMMITTEE

- Proceedings of erroneous deal in 07.00 GS 2021
On
06th June 2019



A handwritten signature in black ink, appearing to be "Ramandeep Kaur".

**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 07.00 GS 2021 on NDS-OM dated 06th June 2019

The details of actions taken for settlement are as under:

- On 06th June 2019 FIMMDA was informed of an erroneous deal by the Seller (Private Bank) via mail. The seller sold 07.00 GS 2021 at price of Rs.100.13/6.9066% for Rs.10 Cr at 16:38:50 hrs. which was claimed to be out of market.
- Preceding trade took place at 16:38:50 hrs. at price Rs. 101.0125/6.3268%. Succeeding trade took place at 11:52:06 hrs. at price Rs. 101.09/6.2762%.
- 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 counterparty as a Foreign Bank.
- Both the parties were advised to reverse the trade.
- Accordingly, on 07th June 2019, 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.8,82,500/-
- The reversal was informed to RBI and DRC members.